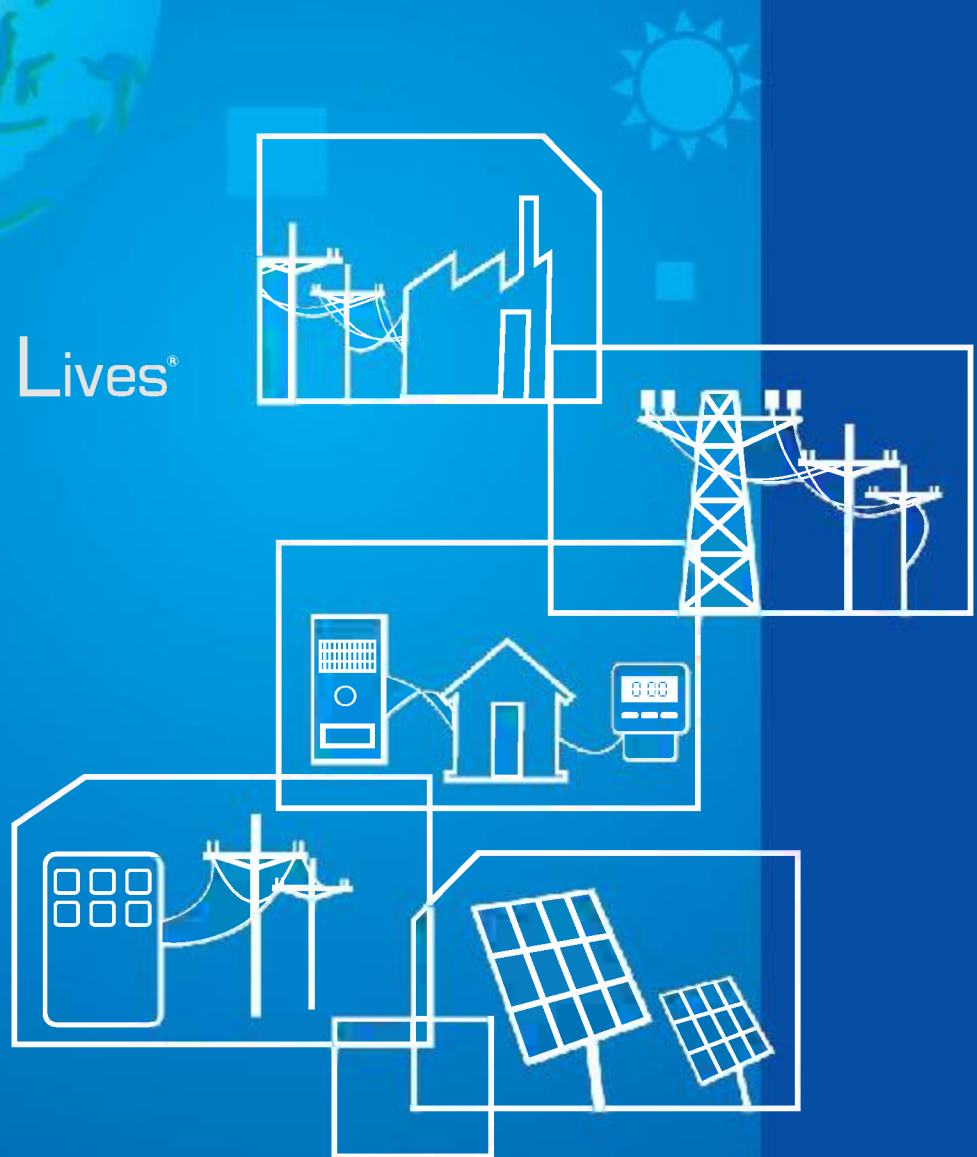


Annual Report 2011-12



Energizing Lives[®]



Genus Power Infrastructures Ltd.



Uniquely positioned

Well-diversified and Integrated Products and Solutions Provider Company

- A comprehensive range of **Smart Metering Solutions for Power Sector.**
- An **Integrated Power Infrastructure Solution** offering **Design-To-End Product/Service on Turnkey basis.**
- An **Integrated Power Backup Solution** including **Solar Power Backup Solutions.**

State-of-the-art Manufacturing Facilities

- **Five Manufacturing Facilities** situated in Rajasthan and Uttarakhand in **Excise/Tax Free Zone.**
- **One Manufacturing Facility** is under construction/installation in Rajasthan in **Excise/Tax Free Zone.**
- Strategically placed in industrial areas to ensure adequate **Infrastructure Facilities such as power, water, transportation, etc. with skilled manpower.**
- Huge **Constructed Area** to enlarge its production capacity at any time to cater the increased demand of products / solutions.
- Backed by **Top-notch in-house Tool Room facility** with advanced software and equipments.
- Armed with **various recognitions and certifications** for its products/solutions and processes.

Globally Competitive Research & Development Laboratory

- Recognised by the **Ministry of Science & Technology, Government of India.**
- **Accredited by National Accreditation Body for Testing Labs 'NABL'** to perform in-house tests.
- Armed with **highly experienced and best-in-class scientist/engineers .**
- Focus on innovation for optimum utilisation of available resources leading to **sustainable cost competitiveness with quality excellence.**
- Devoted to consistent **Breakthrough Research** in the field of metering solutions and power solutions.

Strong Management Team

- Highly professional management team working under the guidance of **Mr. I.C. Agarwal, Chairman of the Company**
- Focus to achieve excellence in everything we do.
- Having strength around **800 dedicated employees** with in-depth industry experience.

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CHAIRMAN'S LETTER TO THE SHAREHOLDERS

Dear Shareholders,

It has been indeed a great pleasure as well as an honour for me to lead Genus since 1994. During this journey, we have seen many ups and downs but I always found my team to be competent in dealing with challenges, situations and odd circumstances. Our previous troublesome experiences always helped us to make good judgments in future. Today, I feel proud to see the phenomenal growth, the Company has achieved in such a short span of time and confident that our strong fundamentals will always propel us to greater heights.

The financial year 2011-12 has been a challenging year for both the world economy as well as Indian economy with high inflation and slowdown in growth. In India, high inflation, high borrowing cost and governments' low spending on infrastructure negatively impacted industrial performance. However, our continuous focus on expansion, creating an efficient production system, and strengthening core businesses enabled us to counter such headwinds. Despite the tough times, Genus posted sustained operating and financial results in FY 2011-12. Genus achieved a turnover of Rs. 717.29 crores with operating profit (EBIDTA) of Rs. 99.63 crores and net profit of Rs. 66.10 crores. We have been focused on strengthening our balance sheet with strong assets quality to ensure better earnings. I am confident to grow with compound annual growth rate (CAGR) of more than 15% over the next 5 years.

At Genus, we always look for opportunities for growth to make inimitable and valuable contribution to the economy and civil society. Genus's core business divisions covering Metering Solutions, Engineering Construction & Contracts (Turnkey Projects) for Power Transmission & Distribution Sector and Power Backup Systems, mainly focus on delivering products and services that carve a niche in the power sector on the strength of their quality-excellence and cost-effectiveness.

It gives me great pride to say that Genus has been a pioneer in recognizing the importance of Metering in the entire electricity supply value chain for sustainable growth of the power sector. In Indian power supply system with imperfect metering, our innovative multi-functional smart metering solutions backed up by LEAN SIGMA™ manufacturing facilities, have been a grand success and are proving a boon to financially non-viable SEBs and Power Utilities. With an installation base of over 178 million electronic energy meters, Genus has significantly secured industry leadership. With persistent hold in the Metering market combined with robust demand for smart metering solutions from SEBs / Power Utilities, current strong order book position and a healthy pipeline of new metering solutions, we are confident of sustainable growth in coming years.

Leveraging on vast experience in providing smart metering solutions for power



management and with world-class engineers, we have also established ourselves as a distinguished ECC player engaged in undertaking the Power Transmission and Distribution Management projects on turnkey basis. Ever-increasing demand of electricity coupled with government plans to add huge installed capacity of power, offers a tremendous opportunity for a smart and secured power infrastructure provider. I am pleased to notify you that we are well positioned to offer the smart and secured power distribution network that helps the T&D sector to boost their efficiency and revenue.

We are also continuously focusing on enlarging our range of advanced and customized power backup solutions. At Genus, we are committed to deliver diverse and integrated range of simple and cost-effective solutions to our customer that ensure wholly customers' satisfaction. With cutting-edge technology and in-house top notched R&D lab, Genus maintains its edge in this sector. With our expertise in Inverters, UPSs and storage Batteries, we are ready to enter into integrated solar energy business in a big way. We expect the long term outlook to be positive in this sector owing to the current power deficit scenario in India as well as the world over.

I believe that the technological improvement is a vital contributor to economic growth and plays a significant role in the development of modern economy as well as the industries that are typically associated with rapid technological changes. To maintain our paramount competitive edge in the marketplace, nationally and internationally, we focus heavily on R&D. Our persistent investment in R&D enabled us to outperform others. Our world-class in-house R&D setup recognized by the Government of India and accredited by NABL to perform in-house tests in line with IEC 17025 standards, has

created a solid knowledge base to propel us to next higher level.

With an objective to build intrinsic value for our shareholders and catalyze the next stage of growth for the Genus group, we have planned to undertake a group restructuring exercise and take-up a number of initiatives. I am confident that we can capitalise on the growth opportunities I have talked about because of our strong fundamentals coupled with extensive domain experience and impetus on sustainability and consistent performance. I look forward to the shareholders' unwavering trust and continued patronage that truly encourage us to march forward with full confidence.

Before I close, I want to take this opportunity to express my sincere and deep gratitude to all board members and executive management team for their immeasurable contribution and wise counsel during the year. I thank all our employees for their tremendous hard work, commitment and brilliant efficiency. I look forward to continued support, involvement and guidance of all associated persons / organisations / institutions.

With best wishes,

Yours sincerely,

Ishwar Chand Agarwal

Chairman

Jaipur, November 27, 2012



CORPORATE INFORMATION

BOARD OF DIRECTORS :

Mr. Ishwar Chand Agarwal
Executive Chairman

Wg. Cdr. (Retd.) Bhairon Singh Solanki
Director

Mr. Rameshwar Pareek
Director

Mr. Indraj Mal Bhutoria
Director

Mr. Dharam Chand Agarwal
Director

Mr. Udit Agarwal
Director

Mr. Naveen Gupta
Director

Mr. Kailash Chandra Agarwal
Joint Managing Director

Mr. Rajendra Kumar Agarwal
Executive Director & CEO

Mr. Jitendra Kumar Agarwal
Executive Director

COMPANY SECRETARY :

Mr. Ankit Jhanjhari

AUDITORS :

M/s. D. Khanna & Associates
Chartered Accountants,
G-6, Royal Sundram, Vivekanand Marg,
C-Scheme, Jaipur-302001

CORPORATE LAW ADVISOR :

M/s. C. M. Bindal & Co.
Company Secretaries,
247, Himmat Nagar, Tonk Road, Jaipur-302018

REGISTRAR AND SHARE TRANSFER AGENT :

Niche Technologies Private Limited
D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata-700 001
Tel: 033-22357270/7271 Fax : 033-22156823
E-mail : nichetechpl@nichetechpl.com

BANKERS :

Bank of Baroda
IDBI Bank Limited
Axis Bank Limited
Punjab National Bank
State Bank of Bikaner & Jaipur
State Bank of Mysore
Export-Import Bank of India
State Bank of India

REGISTERED OFFICE :

213, J.S. Arcade, Sector-18, Noida -201301 (Uttar Pradesh)
Telefax : +91-120-4210421 E-mail : cs@genus.in / info@genus.in
Website : www.genus.in

CORPORATE OFFICE :

SPL-3, RIICO Industrial Area, Sitapura, Tonk Road,
Jaipur-302022 (Rajasthan)
Tel: +91-141-7102400/500 Fax: +91-141-2770319
E-mail: cs@genus.in / info@genus.in

PLANTS :

- (1) SPL-3, RIICO Industrial Area, Sitapura,
Tonk Road, Jaipur-302022 (Rajasthan)
- (2) SPL-2A, RIICO Industrial Area, Sitapura,
Tonk Road, Jaipur-302022 (Rajasthan)
- (3) SP-4-2, Keshwana, (Kotputli)
Dist.-Jaipur-303108 (Rajasthan)
- (4) Plot No.12, Sector-4, IIE, SIDCUL,
Haridwar-249403 (Uttarakhand)
- (5) Plot No.9, Sector-2, SIDCUL,
Haridwar-249403 (Uttarakhand)
- (6) Plot No. SP-1-2317, RIICO Industrial Area,
Ramchandrapura, (Sitapura Extension),
Jaipur-302022 (Rajasthan)



DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting the 20th Annual Report on the business and operations of the Company together with Audited Accounts for the financial year ended March 31, 2012.

FINANCIAL RESULTS :

The synopsis of the financial performance of the Company for the year ended March 31, 2012 is as follows :

(Rs. in Lacs)

| Particulars | Year ended March 31, 2012 | Year ended March 31, 2011 |
|---|------------------------------|------------------------------|
| Income from operations (gross) | 71729.14 | 72273.69 |
| Total income | 70657.92 | 71647.42 |
| Total expenses | 66117.33 | 64721.26 |
| Earnings before interest, depreciation and amortization | 9962.59 | 10250.24 |
| Less: Interest, depreciation and amortization | 5422.00 | 3324.08 |
| Profit before exceptional/extraordinary items | 4540.59 | 6926.16 |
| Add/(Less): Extraordinary items | - | 631.07 |
| Profit after extraordinary items | 4540.59 | 7557.23 |
| Less: Tax expenses (including MAT credit) | (2069.41) | 1449.14 |
| Profit after tax | 6610.00 | 6108.09 |
| Earnings per share (Basic) | 4.21 | 3.69 |
| Earnings per share (Diluted) | 4.16 | 3.45 |

REVIEW OF FINANCIAL PERFORMANCE

During the financial year 2011-2012, the global as well as Indian economy demonstrated high volatility. However, we showed strong resilience to overcome immense obstacles and remained stable to deliver sustainable performance.

During the financial year under review, the income from operations of the Company was Rs. 71,729.14 lacs against Rs. 72,273.69 lacs in the previous year registering marginal decline of 0.75%. This was mainly because of adverse market conditions prevailing in the sector in which the Company operates coupled with the higher input costs and increasing interest rates. The profit after tax (PAT) increased by 8.22% to Rs. 6,610.00 lacs during the year under review from Rs. 6,108.09 lacs in the previous year mainly because of recognising unutilized MAT credit.

Exports sales including deemed exports decreased to Rs. 2,350.02 lacs during the year under review from Rs. 2,913.77 lacs in previous year mainly owing to our increased focus on capitalizing on the improved domestic opportunities.

The operating profit (EBITDA) for the year under review slightly went down to Rs. 9,962.59 lacs from Rs. 10,250.24 lacs in previous year, mainly due to increased employee cost and other direct expenses inputs.

The basic earnings per share (EPS) (before extraordinary items) for the year ended March 31, 2012 was Rs. 4.21 as against Rs. 3.69 in the previous year. The basic EPS (after extraordinary items) for the year ended March 31, 2012 was Rs. 4.21 as against Rs. 4.11 in the previous year.

The net worth of the Company increased to Rs. 44,559.69 lacs at the end of FY 2011-12 from Rs. 37,018.21 lacs at the end of FY 2010-11. The book value per share having face value of Re.1/- increased to Rs. 28.04 as at 31.03.2012 from Rs. 24.37 as at 31.03.2011.

The Company has written off book debts of Rs. 2,549.16 lacs for the year under review, which mainly represent various deductions including liquidated damages made by indenting agencies, pursuant to the terms of contracts of supplies.

As the Company's subsidiary has not undertaken any commercial activity since its inception, there was no income or profit / loss during the year under review.

OPERATIONS AND BUSINESS PERFORMANCE

Kindly refer to Management Discussion & Analysis and Corporate Governance, which form part of this Report.

DIVIDEND

The Board of Directors recommends for your approval, a dividend of 10% i.e. Re.0.10 per equity share on equity shares of the face value of Re.1/- each (tax free in the hands of the shareholders) aggregating to Rs. 158.91 lacs for the year ended March 31, 2012 (Previous Year : 10% i.e. Re. 0.10 per equity share of face value of Re.1/- each aggregating to Rs. 158.91 lacs).

INCREASE IN SHARE CAPITAL

During the year under review, out of 1,10,00,000 (restated on account of split of shares) convertible warrants issued to one of the promoters of the Company, the remaining 70,00,000 warrants were also converted into 70,00,000 fully paid-up equity shares of Re. 1/- each at a price of Rs. 19/- per equity share including a premium of Rs. 18/- per share on July 15, 2011. The aforesaid equity shares rank pari passu in all respects with the existing equity shares of the Company. As a result of this conversion, the number of equity shares of Re. 1 each increased to 15,89,06,820 equity shares amounting to Rs. 15,89,06,820/-. As of today, there is no outstanding warrant in the Company, which has impact on equity share capital.

EXTENSION OF AGM

The Company has been granted extension of time for holding the Annual General Meeting of the Company for the financial year ended March 31, 2012 by three months i.e. by December 31, 2012 by the Registrar of Companies, Uttar Pradesh.

CREDIT RATING

Indian Ratings & Research Private Limited (A Fitch Group Company) has affirmed the Company the National Long-Term rating at 'IND A-' with a Stable Outlook. The agency has also assigned the National Short-Term rating 'IND A2+' on the Company's bank loans.

MAJOR EVENTS

(i) Shifting of the registered office from NCT of Delhi to the State of Uttar Pradesh

Looking to the expanding operations of the Company and for administrative convenience, the members have approved the proposal in the last Annual General Meeting for shifting of the registered office of the Company from NCT of Delhi to the State of Uttar Pradesh. The Company Law Board (CLB) has also approved the shifting of the registered office of the Company. Pursuant to the approvals, the registered office of the Company has been shifted to 213, J.S. Arcade, Sector-18, Noida, Uttar Pradesh-201301 w.e.f. August 09, 2012.

(ii) New Manufacturing Unit at Ramchandrapura

The construction of the manufacturing unit at Ramchandrapura, RIICO Industrial Area, (Sitapura Extension), Jaipur has been completed and the installation of machineries is under progress. The commercial production is expected to be commenced sometime in March, 2013.

(iii) Scheme of Arrangement

The Board of Directors of the Company has approved the Scheme of Arrangement ("Scheme"), inter alia involving merger of Genus Paper Products Limited ("GPPL") into Genus Power Infrastructures Limited ("GPIL" or "the Company") and demerger of 'non-power infrastructure undertaking/business' of the Company into a 100% subsidiary of the Company namely 'Genus Paper & Board Limited' ("the Resulting Company"), subject to the requisite approvals of the members and/or creditors of the Companies as may be directed by the jurisdictional High Court(s) and subject to all such requisite approvals from the relevant regulatory authorities and also sanction of the jurisdictional High Court(s). The Scheme has already been approved by the requisite majority of the members and/or creditors of the Companies, as per the provisions of the Companies Act, 1956. As per the aforesaid Scheme of Arrangement, in case of merger, 24 (twenty four) equity share of Re.1 each of GPIL will be given for every 100 (hundred) equity shares of Re.1 each of GPPL. And in case of demerger, 1 (one) equity share of Re.1 each of the Resulting Company will be given for every 1 (one) equity share of Re.1 each of GPIL in addition to existing shareholding of GPIL. The new equity shares of the Resulting Company will be listed on the concerned stock exchanges, subject to applicable procedures and approvals. This restructuring exercise would help the Company to become a pure power infrastructure company and will result in creation of a simplified and linear entity structure for housing the distinct businesses. This restructuring proposal would result in enhancement of shareholder value leading to operational efficiencies and synergies and facilitate the management of the each company to vigorously pursue growth and expansion opportunities.

SUBSIDIARY COMPANY

The Company does not have any material non-listed Indian subsidiary. The Company has only one subsidiary company namely 'Genus Paper & Board Limited', which has not started any commercial activity as yet. This subsidiary is incorporated exclusively for/under the Scheme of Arrangement as discussed above. Under the said Scheme, Genus Paper Products Limited is proposed to be merged into the Company and the 'non-power infrastructure undertaking/business' of the Company shall be demerged into a 100% subsidiary of the Company namely 'Genus Paper & Board Limited', w.e.f. April 01, 2011 immediately after the requisite approvals of the appropriate authorities are received. The control



on subsidiary company is intended to be temporary because as on the date of implementation of the said demerger scheme, the status of subsidiary company will be changed from subsidiary to an independent company.

The Annual Report of the subsidiary company is forming part of this Annual Report along with statement as required under Section 212 of the Companies Act, 1956. The minutes of the Board meetings of the said subsidiary for each quarter were considered and taken on record by the Board of Directors of the Company.

DEFERMENT OF SALE OF KOTPUTLI UNIT

The approval of the members of the Company was taken on 18th December, 2010 by way of ordinary resolution passed through Postal Ballot under Section 293(1)(a) of the Companies Act, 1956 to authorise the Board to sell, transfer and/or dispose of the unit of the Company situated at SP-4-2, Keshwana, (Kotputli), Rajasthan, as going concern. Owing to substantive business reasons, the aforesaid decision has not been executed and the Board has also decided to defer the sell, transfer and/or dispose of the aforesaid unit of the Company.

FIXED DEPOSITS

During the year under review, the Company has not accepted or renewed further, any fixed deposits within the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made thereunder. Therefore, no amount of principal or interest was outstanding as on the Balance Sheet date.

INSURANCE

All the insurable assets of the Company are adequately insured. Further, in order to insure the profit affected during the cessation of the business operations due to exigency, the Company has taken a 'Consequential Loss (Fire) Policy'. The Company has also taken a Group Mediclaim Policy for its permanent employees covering their spouse and dependent children and a 'Personal Accident Policy (Group)' for insuring its employees and giving benefits like accidental death cover, disability cover and children's education grant in the event of death or permanent total disability.

The compensation / adhoc relief of Rs. 14.18 crore received from IOCL through RIICO for damages / losses on account of the blast/fire incident occurred on October 29, 2009 at IOCL adjoining the Jaipur manufacturing unit of the Company, against submission of Bank Guarantee as per the order/direction of Hon'ble Rajasthan High Court ('RHC') has been under consideration against writ revision petition of RIICO and the same is yet pending for adjudication before the Hon'ble Rajasthan High Court, Jaipur.

CODE OF CONDUCT

All board members and senior management personnel have affirmed compliance with the provisions of Code of Conduct of the Company on annual basis pursuant to revised Clause 49(I)(D) of Listing Agreement. The text of the Code of Conduct is displayed at Company's website 'www.genus.in'.

CORPORATE GOVERNANCE

The Company is committed to create a benchmark for following good corporate governance. It has in place an effective Corporate Governance System, which ensures compliance of the provisions of the Clause 49 of the Listing Agreement. A separate section containing the report on Corporate Governance and a certificate from Statutory Auditor of the Company regarding compliance of the requirements of Corporate Governance are annexed hereto and forms part of the Directors' Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with the Clause 49 of the Listing Agreement, a detailed report on Management Discussion and Analysis (MDA) is annexed herewith.

GROUP

Pursuant to an intimation from the promoters, the names of the promoters and entities comprising "Group" as defined under the erstwhile Monopolies and Restrictive Trade Practices ("MRTP") Act, 1969 are disclosed in the annual report in terms of Regulation 3(I)(e) of the erstwhile SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

DIRECTORS

(i) Retirement by Rotation :

As per the provisions of the Companies Act, 1956 and Article 89 of Articles of Association of the Company, Mr. Rajendra Kumar Agarwal and Mr. Bhairon Singh Solanki, Directors, retire by rotation at the ensuing Annual General Meeting and, they being eligible, offer themselves for re-appointment.

(ii) Cessation :

Due to sudden demise on October 10, 2011, Mr. Giriraj Kishore Sharma, whole-time director ceased to be the Director of the Company.



Further Mr. Vishnu Todi, Director ceased to be the director of the Company on account of his resignation w.e.f. December 05, 2011. The Board places on record its deep appreciation for the valuable contribution made by Mr. Giriraj Kishore Sharma and Mr. Vishnu Todi, during their fruitful tenure as the directors of the Company.

AUDITORS AND AUDITORS' REPORT

Pursuant to provision of Section 224 of the Companies Act, 1956, M/s. D. Khanna & Associates, Chartered Accountants, Jaipur, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting of the Company. They being eligible, offer themselves for re-appointment. The Audit Committee and the Board of Directors of the Company have recommended the re-appointment of M/s. D. Khanna & Associates, Chartered Accountants, Jaipur, as the Auditors of the Company. The Company has received a letter from them to the effect that their reappointment, if made, would be within the limit prescribed under section 224 (1-B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act. Auditors' comments on your Company's accounts for the year ended March 31, 2012 are self explanatory in nature and do not require any explanation as per provisions of Section 217(3) of the Companies Act, 1956.

APPOINTMENT OF COST AUDITOR

Pursuant to the order no. 52/26/CAB/2010 dated January 24, 2012 including any amendments thereto, if any, issued by the Government of India, Ministry of Corporate Affairs, Cost Audit Branch, for appointment of Cost Auditors, the Board of Directors in its meeting held on May 14, 2012 has appointed M/s. K.G. Goyal & Associates, Cost Accountants, as the Cost Auditor for conducting cost audit of cost records of the Company under section 233-B of the Companies Act, 1956 for the financial year ended March 31, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

As required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, disclosures in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are given at Annexure-I to this Report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of employees are required to be set out in the annexure to the Directors' Report. However as per the provisions of section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary.

TRANSFER OF AMOUNT TO 'INVESTOR EDUCATION AND PROTECTION FUND' (IEPF)

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the relevant amount of dividends, which remained unpaid or unclaimed for a period of 7 years has been transferred to the IEPF.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors, on the basis of information made available to them, confirm that:

- (a) in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (d) the annual accounts are prepared on a 'going concern' basis.

ACKNOWLEDGEMENT

The Board of Directors greatly appreciates the contribution, commitment and dedication shown by the employees in the growth and success of the Company. The Board acknowledges with sincere gratitude the support and backing given by our clients, bankers, investors, vendors and business associates to the Company. We are also grateful to Government and Semi Government departments, Bombay Stock Exchange Limited, National Stock Exchange of India Limited and Depositories for their cooperation and assistance and look forward for their continued support in future.

For and on behalf of the Board of Directors
ISHWAR CHAND AGARWAL
Chairman
Jaipur, November 27, 2012



ANNEXURE-I TO THE DIRECTORS' REPORT

The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report:

A. CONSERVATION OF ENERGY:

Despite the fact that the Company's operations are not power intensive and the consumption of power is not very significant, yet the management gives due importance to conservation of energy. The Company understands that energy is indispensable for the growth of the nation and therefore since inception, Genus tried to reduce energy consumption, minimise wastage and conserve energy. During the year under review, the following measures have been taken by the Company in this direction :

- Installed fan-less cooling tower in place of general cooling towers.
- Insulated all chiller lines of molding machines to save evaporation loss of energy.
- Taken action to insulate heater barrel of various molding machines, which saves approx 10% energy.
- Installed wind ventilators in place of electric exhaust fan.
- Installed reflective glass in place of normal glass to save evaporation loss.
- Isolated SMT area and PCB production area to save electricity losses of AC in night shift, when one section was not operational.

The following proposals are being considered / being implemented for reduction of energy consumption :

- Planning for external energy audit from reputed auditor and implement the necessary corrective actions/measures, where necessary.
- Replacement of high energy consumption devices/equipments/fittings with energy efficient devices/equipments/fittings, wherever possible.
- Use / replace with innovative integrated machines/solutions, which are more energy saver, reliable, efficient and productive.

This industry having not fallen in Schedule given under the Rules, the information as per Form-A is not applicable to the Company.

B. TECHNOLOGY ABSORPTION:

FORM B (PARTICULARS WITH RESPECT TO ABSORPTION):

I. RESEARCH AND DEVELOPMENT (R&D):

1. Specific areas in which R&D was carried out by the Company:

- (a) Development of Mesh Network Topology using Zigbee for Single Phase & Three Phase.
- (b) Development of Gas Meter.
- (c) Development of Poly Phase Field Reference Meter.
- (d) Development of STS based pre-payment Poly Phase Meter for Asian market.
- (e) Enrichment of "SAMPOORNA", an integrated solution for distribution transformer metering, which includes metering and communication capability.
- (f) Development of Poly Phase Meters for consumer meters using DLMS.
- (g) Enrichment of Data Concentrator Unit for automatic communication, which enables timely and error-free billing and provides real time profile for energy conservation.
- (h) Customization of the developed products/services as per the customers' needs.
- (i) Value engineering, aesthetic improvement and feature enhancement of all existing models.
- (j) Solving the field related issues and enhancing features of existing range of lower KVA HUPS.
- (k) Design and development of 7.5 KVA Static UPS.
- (l) Development of new LKVA HUPS range with enhanced features, better performance, aesthetics & easy manufacturing.
- (m) Value Engineering and product standardization of higher KVA range.

2. Benefits derived as a result of the above R&D:

- (a) Enabled us to offer a comprehensive range of smart metering solutions to meet the requirements under the Electricity Act, 2003, CEA (Installation and Operation of Meters) Regulations, 2006 and Government's R-APDRP projects. It helped the SEBs and power utilities in reducing their T&D losses, improving billing efficiency and revenue.
- (b) Genus recorded additional sales of:
 - (1) Rs. 70 crores (approx) on account of Poly Phase Meters as per Indian Companion DLMS specification.
 - (2) Rs. 30 crores (approx) on account of LPR.
 - (3) Rs. 12 crores (approx) on account of SAMPOORNA.
 - (4) Rs. 2 crores (approx) on account of Street Light Meters.

- (5) Rs. 1 crores (approx) on account of Prepayment Meters.
- (6) Rs. 30 crores (approx) on account of smart meters using Zigbee Technologies.
- (c) Actively participated in Tech Forum of Government of India as member of 'India Smart Grid Forum'.
- (d) Enabled us to participate in pilot projects of smart meter initiatives started by Government of India.
- (e) Approval on technology proposal by Department of Scientific and Industrial Research, Government of India under Technology Development and Demonstration Programme for Smart Closed-loop Energy Management Solution to protect the revenue of Power Utilities.
- (f) Solving the field related issues and enhancing the features directly to save the servicing cost and achieve full customer satisfaction.
- (g) Added 7.5 KVA Static UPS in the range of static series, which can handle ACs and computer's load comfortably.
- (h) The new range of LKVA with better aesthetics & performance created new market and provided better features to customer.
- (i) Value engineering provides a huge support in cost reduction, increase in sales, better service for customer satisfaction and production of quality product.
- (j) Standardization leads to better control of inventory.

3. Future plan of action:

- (a) Development of window based Meter Reading Instrument (MRI).
- (b) Development of Data Concentrator with GPRS and Ethernet communication.
- (c) Development of DIN based prepayment meter for overseas market.
- (d) Development of PLC based metering solutions.
- (e) Development of In-Home Display with communication capability to facilitate the consumer to know his consumption profile of electricity.
- (f) Development of Poly Phase Smart Meter with integrated modem & load control.
- (g) Development of Single Phase Smart Meter with integrated modem & load control.
- (h) Development of DIN mounted Poly Phase Meter for energy conservation.
- (i) Development of 1KVA 12V, 2KVA 24V and 2.5 KVA 36V Static UPS.
- (j) Development of High Frequency 800 VA Inverter and MPPT charge controllers for solar application.
- (k) Development of Three Phase Lift Inverter.
- (l) Development of Off Grid Solar Inverter.

4. Expenditure on R&D :

(Rs. in Lacs)

| S. No. | Particulars | 2011-12 | 2010-11 |
|--------|---|---------|---------|
| (a) | Capital expenses | 34.82 | 37.14 |
| (b) | Recurring expenses | 617.18 | 570.50 |
| (c) | Total | 652.00 | 607.64 |
| (d) | Total R&D expenditure as a percentage of total turnover | 0.91% | 0.84% |

II. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

- (a) Absorbed the technology successfully in providing a number of new smart metering solutions and superior cost competitive power backup products through a well defined & coordinated management process and by applying an interactive approach.
- (b) Constantly working to provide best-in-class innovative products/solutions to retain the competitive edge in the market place, on the back of in-house Research & Development ('R&D') lab recognized by the Ministry of Science & Technology, Government of India and accredited by 'National Accreditation Body for Testing Labs' (NABL).
- (c) Upgraded its R&D laboratory and Tool Room by adding or replacing with the latest automated machines/equipments/systems/software and engaging world-class engineers/scientists.
- (d) Modernized its manufacturing facilities by adding or replacing with the latest and user-friendly machines/equipments/systems/software at work places, applying scientific production techniques and employing technically skilled manpower.
- (e) Relocated the workforce according to their areas of interest and expertise.
- (f) Imparted technical education to appropriate workforce through conducting regular training sessions and by providing books and journals.
- (g) Critical appraisal of various technologies to get optimum benefit.



2. Benefits derived as a result of the above efforts :

Efforts made towards technology absorption, adaptation and innovation have enabled us to have total customized solutions for our customers and to provide them a wide range of products/services at affordable price. Our continuous efforts in R&D have resulted in strong pipeline of products / services, supported by developed technology and improved synergy.

3. Information regarding Technology imported during the last 5 years : NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

(I) Activities relating to export, initiatives taken to increase export, development of new export market for products and services, and export plans are given in the Management Discussion and Analysis Report (an Annexure to the Directors' Report).

(II) Total foreign exchange earned and outgo:

(Rs. in Lacs)

| Particulars | 2011-12 | 2010-11 |
|--|-----------------|------------------|
| Foreign exchange earnings: | | |
| Export sales (FOB) and services | 483.19 | 414.33 |
| (Total earnings) | 483.19 | 414.33 |
| Foreign exchange outgo: | | |
| Travelling expenses | 43.49 | 34.85 |
| Professional consultancy | 7.76 | 6.08 |
| Exhibition and fair expenses | 4.91 | 5.50 |
| Membership and subscription | 2.43 | - |
| Office expenses | 3.95 | 0.02 |
| Sampling expenses, fees and taxes | 21.82 | 27.60 |
| Import of raw materials and components | 10,859.49 | 11,338.38 |
| Import of capital goods | 625.40 | 401.15 |
| Investment | 3.99 | - |
| (Total outgo) | 11573.24 | 11,813.58 |

ANNEXURE TO THE DIRECTORS' REPORT

GROUP :

Persons and entities comprising "Group" as defined under the erstwhile Monopolies and Restrictive Trade Practices ("MRTP") Act, 1969, for the purposes of Section 3(1)(e)(i) of the erstwhile SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997, include the following :

| | | |
|-------------------------|---|---------------------------------------|
| Ishwar Chand Agarwal | Himanshu Agarwal | Genus Paper & Boards Limited |
| Shanti Devi Agarwal | Richa Agarwal | Hi-Print Electromack Private Limited |
| Kailash Chandra Agarwal | Narayan Prasad Todi | I.C. Finance Limited |
| Simple Agarwal | Seema Todi | J C Textile Private Limited |
| Amit Kumar Agarwal | Yash Todi | Kailash Coal and Coke Company Limited |
| Parul Agarwal | Kailash Chand Agarwal (HUF) | Kailash Industries Limited |
| Rajendra Agarwal | Ishwar Chand Agarwal (HUF) | Kailash Vidyut & Ispat Limited |
| Monisha Agarwal | Banwari Lal Todi (HUF) | Virtuous Infra Limited |
| Jitendra Agarwal | Phoosh Raj Todi (HUF) | Virtuous Urja Limited |
| Anju Agarwal | Anand Todi (HUF) | Vivekshil Dealers Private Limited |
| Manju Devi Todi | Rajendra Kumar Agarwal (HUF) | CRG Trading & Finvest Private Limited |
| Anand Todi | Narayan Prasad Todi (HUF) | Genus Prime Infra Limited |
| Sharda Todi | Amrit Lal Todi (HUF) | M.K.J. Manufacturing Private Limited |
| Ashutosh Todi | Baldev Kumar Agarwal (HUF) | True Home Décor Private Limited |
| Vishnu Todi | Bajrang Lal Todi (HUF) | Genus Apparels |
| Nishu Todi | Amit Agarwal (HUF) | Agarwal Children Welfare Trust |
| Aditya Todi | Genus Apparels Limited | Maple Natural Resources Pte. Ltd. |
| Amrit Lal Todi | Genus Electrotech Limited | Globionics Pte. Ltd. |
| Banwari Lal Todi | Genus Innovation Limited | Pt. Maple Natural Resources |
| Rubal Todi | Genus International Commodities Limited | Indo Global Papers Limited |
| Rakesh Agarwal | Genus Paper Products Limited | Genus Consortium |

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

| S. No. | Particular | Remarks |
|--------|---|--|
| 1 | Name of the Subsidiary Company | Genus Paper & Boards Limited |
| 2 | Financial year of the subsidiary company ended on | 31.03.2012 |
| 3 | Date from which it became subsidiary. | Since Incorporation (i.e. January 11, 2012) |
| 4 | (i) No. of shares held by holding company with its nominees in the subsidiary as at 31.03.2012. (ii) Extent of interest of holding company as at 31.03.2012. | 5,00,000 equity shares of Re.1 (one) each. 100.00% |
| 5 | The net aggregate amount of profits/(losses) of the subsidiary for the above financial year of the subsidiary so far as it concern the members of holding company: (i) dealt with in the accounts of holding company for the financial year ended March 31, 2012. (ii) not dealt with in the accounts of holding company for the financial year ended March 31, 2012. | Nil Nil |
| 6 | The net aggregate amount of profits/(losses) of the subsidiary for the previous financial years of the subsidiary since it become a subsidiary so far as it concern the members of holding company: (i) dealt with in the accounts of holding company for the financial year ended March 31, 2012. (ii) not dealt with in the accounts of holding company for the financial year ended March 31, 2012 | Nil Nil |

For and on behalf of the Board of Directors,

Ishwar Chand Agarwal
Chairman
Rajendra Kumar Agarwal
Executive Director & CEO

Kailash Chandra Agarwal
Joint Managing Director
Ankit Jhanjhari
Company Secretary
Jaipur, November 27, 2012



MANAGEMENT DISCUSSION AND ANALYSIS (ANNEXURE TO THE DIRECTORS' REPORT)

ECONOMIC REVIEW :

Indian economy is mainly driven by domestic consumption. Our domestic savings provide major part of the investment in India. This strengthens our economy and makes more resilient to external distresses. However, the FY 2011-12 remained a challenging year also for the Indian economy. During the FY 2011-12, India experienced a high rate of inflation and high fiscal deficit. Gross domestic product (GDP) of India reached to 6.5% in FY 2011-12 as against 8.5% in FY 2010-11. The sluggish industrial growth and relentless inflationary pressures had an adverse impact on Indian economy. The global crisis in the form of debt crises in Euro zone, political turmoil in Middle East, rise in crude oil price and earthquake in Japan had also contributed to this slowdown through reduced growth in exports and significant decrease in foreign currency inflows. Lower industrial growth in FY 11-12 was also due to adverse base effects and production interruption as a result of power breakdowns. This is a wakeup call for the economy. There is need to stimulate growth through speedy reforms and better governance.

However, India's diverse economy has enormous potential to grow at the faster rate. There are clear indications of recovery in the core sectors of Indian economy. Also, during the recent months, inflation remained to an acceptable level, which could lead to some reversal of tough monetary measures taken by the Reserve Bank of India and support an investment activity. Moreover, the government is aspiring at reducing its expenditures and keen to take tough decisions to bring down the subsidy burden, to the extent that they can be borne by the country's economy without any negative impact on it. Furthermore, the government is planning to raise around Rs. 30,000 crores through disinvestment without leaving ownership and management control over PSUs. The government is also focusing on development of advanced infrastructure facilities for Indian industries and civil society through its budgetary provisions and policies. Recently, the government initiated some bold steps of cutting down fuel subsidy and permitting foreign direct investment (FDI) in multi-brand retail. In fact, the government is undertaking every possible means to accelerate the India economic growth rate. As an effect of all of these, we are quite hopeful of a higher growth rate in coming years.

POWER SECTOR – REVIEW AND OUTLOOK :

Power sector is the backbone of India's growing infrastructures sector. It has made tremendous growth during last few decades in the field of generation, transmission, distribution and consumption of electricity. The total installed generation capacity of India has crossed 2 lakhs MW mark from mere 1,362 MW in 1947. The per capita electricity consumption rose to around 813 kWh from just 16.3 kWh in 1947. Around 5.60 lacs villages have been electrified in comparison to 3061 villages in 1950. During the financial year 2011-12, Indian Power Sector performed exceptionally well with a record generation capacity addition. The electricity generation during the financial year has been 876.43 BU with a growth rate of 8.05 % over the same period in previous year. Last year, the corresponding growth rate was 5.56 %. The annual generation target of 855 BU for the financial year 2011-12 was achieved well in advance with 102.51 % of the yearly target.

Electricity is one of the key drivers of economic growth for any nation. It is equally important for sustainable social development. The economic and social growth of a nation hugely depends on the per capita electricity consumption. Though India is the 5th largest energy consumer in the world, its per capita primary electricity consumption is one of the lowest in the world. Furthermore, India has been facing a critical shortage of electrical power. Around 40-45% of India's population still has no access to electricity and large portion of population only have intermittent access. Indian Inc. also suffers losses due to intermittent power supply. During the financial year 2011-12, the total energy deficit was around 8.5% and peak energy deficit was around 11.1%. Although, the power generation capacity addition target during the 11th Five-Year Plan was 78700 MW (which was scaled down to 62,000 MW by the Planning Commission in its mid-term review), the achievement is around 54,964 MW. It is disheartening to note that the Government, in the recent Union Budgets, has released a Central Plan Outlay of Rs. 69,507.53 crore to the Power Sector which is less than last year's allocation of Rs. 72,754 crores.

Due to the desired GDP growth, ever-increasing population, growing urbanization and rising prosperity, the demand of electricity continues to rise in India. The supply-demand gap is envisaged to widen even more in the coming years. The 18th Electric Power Survey (EPS) report estimated the energy requirement in the terminal year of 12th Five-Year Plan (2012-17) at 1,354.874 billion units. Thus, increasing present generation capacity as fast as possible through a faster capacity addition is the only solution to bridge this demand and supply gap and that is so imperative to the overall growth of our nation. The Government's Working Group on Power for formulation of the 12th Five-Year Plan (2012-17) has estimated total fund requirement of Rs. 13.72 lakhs crores for the power sector. The Power Ministry has set an ambitious target for adding 76,000 MW of electricity capacity in the 12th Plan (2012-17) and 93,000 MW in the 13th Five-Year Plan (2017-2022).

Given the current Indian Power scenario, we believe that the government will focus on the needs of the power sector that is imperative to achieve and maintain a sustainable economic growth rate.

POWER TRANSMISSION & DISTRIBUTION SECTOR - REVIEW AND OUTLOOK :

Power transmission and distribution (T&D) constitute a significant part of the entire power supply system. It mainly encompasses transmission lines, sub-stations, distributing lines and metering equipments. An efficient and safe power supply system is the growth engine for a growing economy like India. It is vital for socio-economic growth, especially in rural areas where electricity promotes economic activities such as irrigation and small industries, and improves quality of life.

In recent years, the T&D sector in India has made impressive growth. During the FY 2011-12, India added around 20500 ckt. Kms of transmission lines of different kVs as against the programme of 19792 ckt. Kms. During this period, around 54300 MVA of sub-stations of different kVs were installed against the programme of 27380 MVA. T&D utilities are now focusing on deploying appropriate technologies to cope up with need of growing power sector. Nowadays, T&D utilities are using higher and safe voltage lines and distribution systems to improve the performance and reduce losses of T&D network.

However, the current scenario of the power transmission and distribution sector in India looks to be gloomy. The electricity requirement and generation capacity is projected to increase rapidly in coming years. The T&D network in India even does not meet the requirement set by the total electricity installed capacity. As per Census 2011, only 55 percent of the rural households have access to electricity. Moreover, the T&D sector continues to suffer high T&D losses, which makes the power distribution companies, especially SEBs financially weak. Furthermore the underutilization of allotted fund under Central Plan allocation is also a matter of concern.

To overcome this dismal situation, T&D capacity expansion needs to keep pace with the increasing demand for electricity in India. T&D networks need to be improved with new technology like smart grids, smart meters. All obsolete electrical equipments/lines/systems are required to be replaced to deliver more efficient and reliable energy system. The Government needs to focus through policies and strict adherence to the plans.

In light of this, the government in the recent Budget (2012-13) has hiked the Central Plan allocation from Rs. 2,034 crores (BE 2011-12) to Rs. 3,114 crores (BE 2012-13) for the Restructured Accelerated Power Development and Reforms Programme (R-APDRP) with the objective to facilitate State Power Utilities to reduce the level of AT&C loss to 15%. As the growth of power sector hugely depends on the financial viability of the power distribution sector and the reduction of aggregate technical and commercial (AT&C) losses, a constant rise in budgetary allocation for R-APDRP focused on reduction of AT&C losses and power infrastructure development for the country is essential.

Further, with the objective to achieve electrification of 4800 un-electrified villages and offer electricity connections to around 34 lakhs BPL households, the government has allocated Rs. 4900 crores for Rajiv Gandhi Grameen Vidyutikaran Yojana.

In order to promote and incentivise the corporate sector to continue to spend on in-house research, the weighted deduction of 200% for R&D expenditure in an in-house facility has been extended for a further period of five years i.e. up to 31st March, 2017. Also to encourage the corporate sector and considering the need of skilled manpower, the government has allowed weighted standard deduction of 150% of the expenditure (other than land or building) incurred on skill development in the ITIs in manufacturing sector.

Pushing new reforms in the power sector, recently the Central government approved restructuring of Rs. 1.9 lacs crore debts of State Electricity Boards in a move to turnaround the near-bankrupt power distribution companies. Under the scheme approved by the Cabinet Committee on Economic Affairs, 50 percent of the short-term outstanding liabilities would be taken over by state governments. Balance 50 percent loans would be restructured by providing moratorium on principle loan amount and best possible terms for repayments thereof.

However, the long term reforms are desirable from Policy makers to make the T&D sector commercially viable and competitive.

ELECTRONIC ENERGY METER INDUSTRY- REVIEW AND OUTLOOK :

Energy Meter is a critical electronic instrument that is used to measure the amount of electricity consumed by a consumer. At the time when power theft causes substantial loss of revenue to power utilities, it has become very crucial instrument for any distribution utility to measure electricity consumption at all levels in the distribution network. Smart meter enables the utilities to monitor, audit and do analysis of electricity consumption at all levels in the distribution network including consumer, distribution transformer, feeders and sub-stations and thereby it plays a key role in identifying weak areas, reducing losses, improving financial and technical health of power utilities.

Indian meter industry is in fast developing phase with the development of Prepaid Meters, Automatic Meter Reading System (AMR), Advanced Metering Infrastructure (AMI), Distribution Transformer Metering, Audit Meter, Sub-Station Meter, Grid Meters, etc. Meters' manufacturers have also added many advanced features such as Time of Day (TOD) tariff, remote communication capability, LPR, load profiling and recording of various abnormal system conditions to meet the requirements of the growing and challenging power sector.

With the aim to provide access of electricity to all and bring down the Aggregate Technical and Commercial (AT&C) losses to a level of around 15% across the country, the government has taken several initiatives and initiated reforms such as enactment of the Electricity Act 2003, Rural Electrification Policy, Re-structured Accelerated Power Development & Reform Programme ('R-APDRP'), Rajiv Gandhi Grameen Vidyutikaran Yojana ('RGGVY'), etc.

Metering remains the focal point of all distribution reforms programmes initiated by the government as it helped the power utilities in sustained loss reduction through monitoring, auditing and analysis of electricity consumption at all levels in the distribution network. Also, it has played a very important role not only in implementation of the government's several initiatives and reform programs such as the Electricity Act 2003, Rural Electrification Policy, R-APDRP, RGGVY, etc. and thereby improves the performance of T&D sector but also helped in energy conservation.



However, Indian energy metering industry has registered a moderate 6.1% growth during the FY 2011-12. In India, the government focus is mainly on escalating the power generation capacity. The power transmission and distribution sector has largely been ignored. There is no matching announcement or initiative with power generation sector to improve the financial and technical capabilities of power utilities in India. Also, there has not been enough investment in this sector. Currently, the Indian distribution companies ('discoms') are struggling with huge AT&C losses due to inadequate investments for system improvement, low metering efficiency, unmetered supply, theft and pilferages. Even many power utilities have not enough funds to purchase technically upgraded meters.

This sector has immense growth opportunities and is expected to rise exponentially in the next couple of years. But the sector needs immediate and more attention of the government and that is essential to achieve inclusive growth of the Indian power sector. Indian power utilities need financial assistance for procurement of prepaid meters, AMR based meters, AMI, meter for Distribution Transformers, Sub-Stations and advanced/smart meters for high value customers. This would help the utilities in reduction of AT&C losses and generate better demand of meters.

Further, the several state regulatory commissions' and the government's constant thrust on 100% metering of power supply connections through various reform programmes, particularly RGGVY and now RAPDRP has provided momentum to demand for meters. Over the next few years, we expect more funding and attention from government of India through its initiatives for procurement of smart meters in India.

We believe Indian meter industry has sufficient capacity to meet the requirements of meters for the 12th Five Year Plan and is set for rapid growth in the next couple of years.

GENUS' KEY BUSINESS AREAS - REVIEW, OUTLOOK AND OPPORTUNITY :

(A) METERING SOLUTIONS :

(i) REVIEW AND OUTLOOK :

With a widest range of smart, compact, convenient and safe metering solutions for power transmission and distribution sector, Genus has established itself as one of the leading manufacturers of metering systems in India as well as abroad. In India, Genus has been the preferred choice amongst the Power utilities since long time as its products and services extensively help in reducing their AT&C losses by strict monitoring and analysis of problematic areas of the entire T&D network and thereby improving efficiency and financial health. Genus provides its products and services to almost all the leading power utilities like Reliance, Tata Power, Torrent Power, CESC, NTPC, NHPC, Power Grid Corporation, etc. and almost all the State Electricity Boards (SEBs). The trust of the power utilities/SEBs is well reflected in the repetitive orders received by the Company from them.

Backed by the state-of-the-art manufacturing facilities, dedicated IT division for closed loop metering solutions and in-house R&D lab, Genus is devoted to ensure that more secured, efficient and smart metering solutions is provided to power utilities / SEBs to solve their most critical technical and commercial challenges. On the back of LEAN SIGMA™ manufacturing facilities and the "Centre for Design and Development" (C-D&D) approved by Government of India, Genus offers the most competitive rates and provide an extensive and premium range of IT enabled tamper proof, multifunctional, smart metering solutions such as Residential Single Phase & Three Phase Energy Meters, Industrial Meters, ABT Compliant Grid & Sub-Station Meters, Agricultural Meters, Audit Meters, Group Meters (Low Voltage/High Voltage Distribution System), Prepayment Electricity Meters, Distribution Transformer (DT) Meters, Portable Reference Meters, Feeder Monitoring and Management Systems, Street Light Management Systems, Comprehensive Billing and Meter Data Management Software, RF/PLCC/GSM/GPRS Modems using AMR techniques, Electricity Management Server, etc.

Metering solution division has been a proven chapter in the growth story of Genus. It continues to remain our thrust area of business. So far, Genus has successfully installed over 178 million meters. This has been possible due to the relentless efforts of dedicated team of highly experienced engineers backed by the globally competitive in-house R&D lab (recognized by the Ministry of Science & Technology, Government of India and accredited by National Accreditation Body for Testing Labs 'NABL').

In order to accelerate the growth, Genus strongly focuses on continuously enlarging and upgrading its product/services range. Taking the needs of growing power sector especially T&D sector, Genus recently presented the most advanced & highly economical range of customized, safe and innovative solutions to its customers and that are fueling the future growth of the Company. With unmatched expertise and vast experience of providing electronic energy equipment and electricity management services, Genus is well on its way to become a premium global supplier of power distribution and smart metering solutions.

(ii) OPPORTUNITIES :

(a) In Domestic Market :

India's prosperity and economic growth is significantly depends on the availability of affordable electricity. And the availability of affordable electricity is possible only when the power utilities / SEBs are commercially and technically sound. Currently, most of the power utilities / SEBs are struggling with huge financial deficits mainly due to uncontrolled AT&C losses. The AT&C losses primarily take place due to transformation

losses, pilferage of electricity and illegitimate consumption of electricity, which is not correctly metered, billed and thus loss of substantial revenue.

In support of target to provide affordable and constant electricity to all and also to bring efficiency and improve financial health of the power utilities / SEBs, Government of India has taken a progressive steps through various power distribution reform programmes, incentives and policies.

Re-structured Accelerated Power Development & Reform Programme ("R-APDRP"), one of the most ambitious T&D reform programmes of the government, aims to reduce AT&C losses and bring about commercial viability in the Power Sector mainly by replacement of electromagnetic energy meters with tamper proof electronic meters. The focus of the programme is on actual, demonstrable performance in terms of sustained loss reduction through establishment of reliable and automated system for sustained collection of accurate base line data, and the adoption of Information Technology (IT) in the areas of energy accounting and auditing.

Electricity Act, 2003 provides for mandatory metering and stringent measures to prevent theft of electricity.

Rajiv Gandhi Grameen Vidyutikaran Yojana ("RGGVY") of the Central Government aims at electrifying all un-electrified villages and provides access to electricity to all rural households. Under the scheme, more than 1,05,000 villages have been electrified and more than 2 crore rural BPL households have been provided free electricity connections. During 2012-13, around 6000 villages are to be electrified and around 37 lakhs rural BPL households are to be provided free electricity connection. It would generate huge requirement of metering systems to provide sustained and affordable electricity.

Rural Electrification Policy of the Central Government aims at provision of access to electricity to all households, quality and reliable power supply at reasonable rates.

The Central Electricity Authority ("CEA") constituted under the Electricity (Supply) Act 1948, has made it compulsory to use static meters rather than conventional electromagnetic meters to enable storage of data to facilitate further analysis, time of day metering, tariff & tamper notification, online demand side management etc. Static meter facilitates the power utilities/SEBs to identify the areas of seepage, wastage & inefficient use of electricity and thereby reduce AT&C losses and conserve the energy.

Thus, Metering is the heart of power transmission and distribution reforms. High-quality and accurate meters is of vital importance, otherwise the utilities may suffer heavy losses. To get correct accounting, billing and audit of electricity, metering system should be installed and commissioned properly and must uphold the accuracy level over a long period to record the electricity consumption correctly. Setting up and running such system solution is a challenge for many customers with only limited manpower resources and little experience of automatic meter reading. Genus removes this trouble by providing end-to-end complete solution to utilities, which includes supplying of the matching know-how and operational implementation of metering solution to get always better results.

In recent years, the need of the smart metering has become obvious to define the future of not only power utilities/discoms but also the broader future of the entire value chain of energy system. It can more easily leverage multiple networks both wireless and fixed greatly increasing the statistical coverage and redundancy of the solution. With smart metering, the power utilities have more control and the ability for smart grid management to include street lighting, critical infrastructure protection and asset management. Due to the government strong initiatives to curtail the high AT&C losses of distribution utilities/SEBs and make them commercially and technically viable, the use of smart metering solutions has seen a substantial surge in the last few decades, and this rising trend is bound to continue in the coming years.

Rising demand for dwelling units due to ever-increasing population, fast growing economy and improved living standard of society also lead to additional demand for new electricity meters.

Genus's high-end programmable multi-functional intelligent metering solutions with in-built advanced security and anti-tamper features fit to the rising aspirations of power utilities/SEBs. With the extensive range of secured, intelligent, automated and integrated metering solutions for power transmission and distribution sector, Genus is confident of retaining its competitive edge in Metering industry and to maintain steady progress in the coming years.

(b) In Overseas Market :

In the present era of increasing consumption of electricity around the world, the smart grid and smart energy devices have a key role in intelligent management, distribution and use of energy to reduce the strain on global energy resources. In recent time, many governments, regulatory bodies and utilities around the world are working towards rolling out smart metering systems as fundamental first step towards the deployment of smart grids. The European Smart Metering Industry Group (ESMIG) report shows that significant reduction in the energy used by consumers and changes in the-times-of-day that they use energy, can be achieved by appropriate smart metering installations. The European Commission's 3rd Energy Package and the Directive on energy end-use efficiency aim to achieve 80% for residential smart metering system installation in Europe by 2020. The governments of many countries outside Europe are also taking initiative to achieve 100% smart metering system installation. In US, the penetration of advanced energy meters has reached 13.4% in 2011, up from 8.7% in 2009. Sub-



metering of energy and water usage has also been viewed as essential component of future commercial and residential building operational improvement for energy efficiency and conservation improvement. A maturing smart grid in developed countries presents a huge opportunity for smart metering solutions.

Today, Energy Utilities of Middle East, Africa, Asia, Latin America and several developing countries are facing severe issues related to quality as well as unaccounted for electricity, either through theft or transmission losses in addition to huge power deficit. T&D losses are major problem with utilities in most countries. In these regions, it has been recognized that installation of smart meters can help largely to reduce T&D losses and to identify consumer usage patterns enabling the utilities to help consumer to make more efficient use of available energy and save cost. Governments and Energy Utilities of these countries are taking various measures to implement smart grid and smart metering solutions for better energy management through effective use of available energy resources. Smart metering solution has a vibrant market in overseas and to take advantage of this opportunity, Genus has initiated development of Smart Meters to meet the aspirations of overseas market. Genus has prepared a road map to tap this enormous opportunity and make its presence felt in all the countries particularly those of Middle East, South east Asia, Africa and Brazil. The certification of its Saksham-100 Meter by the international body ZigBee Alliance is the first step towards this goal. Genus is also in the process of identifying suitable alliance partners to participate in overseas Smart grid projects in a big way.

Genus idea of concentrating on specific focus areas (countries) is yielding results. Genus meters have now made appearance in Middle East, Africa and in neighboring countries. Genus hopes to continue this trend and consolidate its position in some select countries.

SABS (South Africa Bureau of Standards) re-audited Genus product capability for prepayment meters and approved its continuation for the second year. This opens the door for export of prepayments into African countries.

Genus is building up its export capability and in this process got twelve international certifications related to its products, life and open protocol that would greatly improve its eligibility scope in overseas tenders. Armed with these certifications, Genus is now able to compete in more international tenders and hopefully results are expected to bring cheers to shareholders in the coming years.

(B) ENGINEERING, CONSTRUCTIONS AND CONTRACTS ('ECC') IN POWER SECTOR :

(i) REVIEW AND OUTLOOK :

Having established Genus as one of the leading smart metering solutions providers, it diversified into areas relevant to its expertise in Electricity Management for power T&D sector. A separate division fully devoted to the ECC projects in power T&D sector was formed. After successfully completion of many ECC projects on turnkey basis, Genus has now emerged as a well established and experienced player of this field.

Given the needs of Indian power transmission and distribution sector and leveraging the best professionals in the industry, Genus provides innovative, secured and comprehensive products and services for upgrading T&D infrastructure with an aim to meet the growing electricity demand. Its high-tech solutions improve the working and reliability of power T&D network.

Genus ECC division undertakes design, survey, supply, erection, testing and commissioning of transmission lines. It covers comprehensive construction and system integration besides engineering, procurement, installation, inspection, testing and commissioning of all equipments and electric products for commissioning of transmission lines. Genus has specialisation in providing electrical Substation Installation services in India wherein it works for capacity augmentation, renovation and modernization of existing Substations in addition to designing, erection, testing and commissioning of new Substation for power T&D sector. Genus undertakes turnkey projects of creation of Village Electrification Infrastructure, which covers electrification of un-electrified villages/habitations and installation of distribution transformers of appropriate capacity in electrified villages/habitation. Genus also serves the T&D industry for energy accounting and auditing. Genus supervises power distribution, consumption and billing using its technical excellence. It's most advanced software processes and analyses the data and generates a detailed report to find out losses and reduce energy cost.

The track record of this division has been good. It has successfully executed several intricate and esteemed projects on turnkey basis in power T&D sector across the country and helped the power utilities a lot in curtailing their AT&C losses and conserving energy.

During the financial year 2011-12, Genus focused on successful completion of its existing projects rather than gathering of non viable projects.

Currently, Genus is engaged in execution of several projects on turnkey basis under the RGGVY, which covers distribution network, appropriate development and augmentation of sub-transmission and transmission system at higher voltage levels apart from grid connectivity in rural areas. Genus is also executing turnkey projects for providing electricity connections to agriculture consumers, BPL households and village industries. Genus is also undertaking construction, maintenance, modernization, augmentation and commissioning of Sub-Stations and Transmission & Distribution Lines on Turnkey basis under R-APDRP.

With the experience gained so far, and looking to aggressive plans of the government to boost this sector, we are confident that the ECC division will also contribute to higher revenue growth and also to be one of India's trusted player in this field.

(ii) OPPORTUNITIES :

Electricity requirement in India is growing at fast speed. In order to meet growing requirement, development of efficient and futuristic T&D network between generation source and consumption points are essential. The intra state transmission and distribution networks are also needed by the state transmission and distribution utilities to meet the increased demand of electricity. This also needs a secured, reliability and strong Power system with online monitoring, repair and maintenance. And for development of such type of power system, upgrading of existing T&D network and avant-garde technology for bulk power transfer over long distances, are essential.

Without access to affordable and sustainable energy, a country may suffer severe poverty, social insecurity and economic slowdown. An efficient power T&D network is most crucial for providing affordable and sustainable energy to civil society and also a very important link in the electricity supply chain as it directly affect the commercial and technical viability of the Power T&D sector. Unfortunately, India's T&D network is far away from the need of growing power sector. Furthermore, T&D sector is plagued by high AT&C losses due to theft of electricity, inadequate metering and poor revenue collection efficiency.

In light of the above, the government is now paying greater attention to this sector and making huge investment to restructure the SEBs to make them financially and technically viable. The government has introduced various reform programmes and policies such as Electricity Act 2003, National Electricity Policy 2005, National Tariff Policy 2006, RGGVY and R-APDRP with an aim to reduce AT&C losses to a level of around 15% across the country and improve the services to end user. Through this, the government is also focusing on system augmentation in the distribution segment. During the 12th Five Year Plan, the government is targeting to add 4.2 million ct. km of distribution lines to provide electricity possibly to all.

It has been realized that the improved services will result in increased customer satisfaction and thereby improve the revenues for the SEBs. The use of information technology (IT) in this field plays a very important role to improve the efficiency of system and consumer service. Spot billing, call centers, remote meter reading & substation operation, automated billing, distribution network management and energy audit & accounting are being made possible only with the use of IT. Thus investment in superior distribution network/services with the extensive use of IT may prove boon for the deteriorating distribution sector.

Recognizing the advantage of demand side management in reducing overall electricity demand, power utilities and regulators are encouraging the use of energy efficient equipments and technologies.

The Asian Development Bank (ADB), leading promoter of energy privatization in Asia and the Pacific has continuously been assisting power sector reforms at both the national and state levels in India. At the national level, ADB has been supporting in expanding and modernizing the national electric transmission system to reduce transmission system losses and to increase inter-connectivity in order to balance supply and demand across states and regions. ADB has also been supporting policy reforms and funding investments for transmission and distribution in states. ADB is also funding the construction of several transmission lines and substations, and helped to reduce transmission and distribution losses.

Thus, the transmission and distribution sector development is significant to ensure that Power Sector maintains growth rates and make the growth process more inclusive and sustainable in coming years. Given this scenario and the government's thrust on the reforms of power T&D sector and huge investment in the sector, we hope the coming years will be an extremely successful and flattering experience for us. Genus is fully equipped with trained/experienced manpower and technologies to utilize these opportunities for its future growth.

(C) POWER BACKUP SOLUTIONS :

(i) REVIEW AND OUTLOOK :

After delivering metering solutions for a decade, Genus launched the widest range of smart, safe, compact and convenient power backup solutions with the clear vision to be a major contributor to this industry. Genus's comprehensive range of advanced power backup solution includes Home UPS, Inverters, Online UPS, Solar Inverter from 600VA to 60 KVA and Batteries from 135 Ah@C20 to 200 Ah@C20.

Genus has pioneered the widespread adoption of Sine Wave technology for Inverter and Home UPS in India. Its solutions are designed, developed and manufactured indigenously with Auto Sense Intelligent Control (ASIC) technology based on Digital Signal Processor (DSP) ensuring significantly enhanced battery life and high safety of electronic appliances. Genus is capable to design and develop customized power backup solutions on the back of its in-house dedicated R&D lab recognised by Ministry of Science & Technology, Government of India with highly experienced electronic/electrical engineers.

Genus's advanced power backup solutions with many superior features like auto reset, short circuit protection, automatic low battery cutoff, smart overload sense, battery type optimization, charge rate regulation, voltage AC dropout, LCD display, easy to service, battery state monitoring, environment friendly, noiseless operations, etc. make it world-class trusted provider of power backup solutions, globally.

Genus has specialisation in manufacturing of cost-competitive heavy duty Inverters/UPS for special purposes like Lift Inverters, Boat Inverters, etc.



With expertise in Inverters, UPSs and Batteries, Genus provides an integrated solar energy solution. Genus with its solar hybrid Inverters and UPS (2.5VA to 5KVA) along with advanced batteries is poised to cater to the electricity needs of rural households across India, who do not have access to clean and reliable energy.

Genus's servicing team comprising competent engineers with technical excellence in installation and repairing backed by complete range of high quality spares and components make it one of the preferred choices amongst customers.

Recently, Genus has launched a premium range of secured and affordable tubular batteries at par with international standards and acknowledged for its durability and extra heavy duty performance. Within a short span of time, it has picked up significant momentum.

(ii) OPPORTUNITIES :

(a) Domestic :

We all are aware of the importance of Electricity in the present daily life. It is required not only in all commercial activities but also needed in all social activities. Electricity is proven infrastructure elements for economic growth of a country. Without electricity, development of civil society and industry cannot be imagined.

However, the gap between demand and supply of electricity in India is huge. Power supply in most part of the country is far below to the requirement, causing often to blackouts. Industries are suffering a lot due to frequent power cut, resulting in lower GDP growth. The high operational incompetence, insufficient power distribution networks and weak financial health of power utilities also negatively impacted the power supply situation in India.

India's current power deficit situation, fast development of the economy, environmental concerns and growing living standard of civil society places a heavy demand for alternate or backup power solutions in the form of power Inverters and UPS. Constant change in technology has also triggered a demand boom in the form of replacement and upgrading. Thus, the future of high-quality and advanced power backup solutions seems quite promising over the next few years in India.

Genus leads the advanced Sine Wave Inverters market in India. With a deep understanding of lifestyle trends in the urban and rural markets, Genus has developed a wide range of innovative, cost-competitive and best-in-class power backup solutions.

In light of above, Genus has recently opened a retail outlet for its power backup solutions in Chennai in addition to a wide dealer network in India. The Company is also planning aggressively to increase its network of retail outlets across India to tap the tremendous opportunity lying vastly unexplored in all parts of the country.

With India's rapid economic growth, energy-deprived rural population and Government's impetus to avoid dependence on imported fossil fuels and diminishing domestic coal, the demand for abundant solar power solutions in India is also expected to witness a healthy growth in the coming years. The demand for energy efficiency and load management measures, given that electricity generation, transmission and distribution capacity are struggling to keep up with demand, also strengthen the growth outlook of solar power business in India. Encouraged by this promising growth outlook, Genus is equipped to contribute significantly by offering an integrated solar energy solution to its customers.

(b) Overseas :

Access to electricity is indispensable for sustainable human development. Without access to electricity, developing countries can be ensnared in a nasty circle of poverty, social insecurity and sluggish growth. With the high cost, environmental damages and security threats of non renewable source of electricity, an efficient power backup solution is often the best and most cost effective option to access to electricity. It can provide energy even to remote rural area particularly without negatively impacting environment. Moreover, with worsening power scenario of most developing countries and rising requirements for power in a growing world economy, the market for power backup solutions such as Inverter/UPS are looking very lucrative all over the world especially in developing countries.

The power backup solutions also provide portability in vehicles using electronic applications and mainly in recreation vehicles and marine boats. Growth in the special vehicle segments in North America and Europe provides a strong impetus for the growth of the power backup solution markets.

With strict implementation of globally recognized quality standards, Genus has paved the way for a stronger role in world power backup solutions market especially in the regions of Africa, Middle East, SAARC countries and North America, where power deficit is significant. Genus is set to expand its fleet of world-class power backup solutions to exploit demand for most advanced solutions in the flourishing markets of the Middle East, SAARC countries, North America Africa and Asia.

RISK AND COMPANY'S MEASURES FOR MITIGATION OF RISK

Risk management is a continuous and integral process that is performed in a transparent manner at different stages by the Company. The Company has a separate and efficient risk management team, which identifies and analyses risk and concerns both internal and external factors to achieve the corporate objectives.

High volatility in pricing & availability of raw materials, fluctuation in interest rates, volatility in foreign currency exchange rates, delays in execution of turnkey ECC projects, frequent change in technology and changes in Government policies have been cause of concern for the industry and may also affect the Company's operations in future.

With a view to eliminate or atleast minimize the potential negative impact of the aforesaid concerns and various other risks and uncertainties relating to the business and its operations, the risk management team of the Company has designed and adopted various proven strategies and measures. All the existing policies and strategies for risk management are vigilantly reviewed by the management on regular intervals. Training programs on regular intervals are conducted for identification, assessment and mitigation of risks by taking timely appropriate actions.

The Company has engaged renowned independent firms of Chartered Accountants to periodically conduct internal audit in all the key areas of operations so that weak areas of operations are identified to improve the overall efficiency by making informed decisions.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an effective, well-elaborated and transparent internal control mechanism which facilitates formulation and revision of policies and procedures in order to align them with changing business environment. The internal control weaknesses are identified through a system of periodical review and remedial actions are taken to rectify the errors and deficiencies, if noticed. All internal control systems have been designed to provide a reasonable assurance in reverence of reliability of financial reporting, monitoring of operations, maintaining proper accounting controls, timely & strict compliance of all rules/regulations and corporate governance matters, etc. These systems are designed to cover all departments, offices, factories and key areas of business and operations.

The Company's internal control environment is strengthened by SAP ERP, which ensures smooth running of day-to-day operations, regulatory standards and mitigates risk. The independent internal audit department of the Company continues to play a crucial role in formulation, implementation and scrutinizing the internal control policies and procedures and ensures compliance with statutory requirements. The Company has comprehensive budgetary control system and its actual performance is periodically reviewed. Independent consultants are also engaged by the Company to review business systems, processes and to have further improvements in performance.

The Company has an audit committee, the details of audit committee have been provided in the corporate governance report.

All the concerned functional heads are periodically required to substantiate the effectiveness and adequacy of the control systems. All significant observations and follow-up actions thereon are reported to the Audit Committee. The Audit Committee of the Company, which comprises independent qualified directors, periodically review the financial statements, adequacy of internal audit function and control systems, report of compliance with accounting standards, listing agreement and other applicable laws, etc. and monitors implementation of audit recommendations.

CORPORATE SOCIAL RESPONSIBILITY

In the present era of globalization, an organisation is assessed by their adherence to responsible business practices to create inimitable value for the society. In a complex world, a business community always remains in a better position to help the society to prosper faster. In this quest, corporate social responsibility (CSR) has become imperative.

Genus follows the philosophy of "SERVING SOCIETY THROUGH INDUSTRY" since its inception. Genus believes and continues to strive to achieve its goal of business excellence with levelheaded business practices that positively impact the society. Genus has already shown its commitment towards society in its activities and has been continuing to do its best to give back to the society in the form of plantation, free technological & commercial education in rural areas, financial assistance to healthcare missions, free technical & financial assistance in organic farming, etc. As a responsible corporate citizen, we have always considered it our privilege more than our duty to ensure that the fruits of our growth are shared not only by our members but also by the society around us.

At Genus, we strongly trust that anything we want to give must be given with a happy mind and a happy heart. With this, Genus continued its endeavor in widening its support to the community and has taken several initiatives on education, health, farming and environment.

REVIEW OF FINANCIAL PERFORMANCE

The financial performance of the Company has been given separately in the Directors' Report.

HUMAN RESOURCES

At Genus, we consider our employees as our strongest asset and intellectual capital. We consider that human resource is the most important resource through which all other resources can be optimally utilized. It is with their continuous support that we are able to climb the mountain of success and envisage a bright future. The Company continues to have an excellent record of industrial relations, which remained harmonious during the year under review. The management of the Company always tries to value and appreciate the efforts of every employee from top to bottom. The Company always endeavors to provide best facilities and training to its employees in order to enhance their knowledge and capabilities. In order to nurture its employees' overall personality, the Company has conducted various workshops and



training sessions. Regular in-house training programs have been conducted for employees for development of competencies and leadership skills. Employees are also sent to different external training programs to enhance and develop their skills. Genus has a culture that develops skills, encourages team building and appreciates innovation.

The HR team of the Company not only recruits the best talent across the country but also appreciates and motivates them to pursue excellence. It also takes care that fresh talent are optimally nurtured and their competency is enhanced so that they are able to utilize their full potential. During the year under review, various workshops and training programs were conducted on different themes like soft skills, interpersonal skills, MS excel, business etiquettes, business communication, creative thinking, self-motivation, organizational culture, teamwork, time management, negotiation skills, planning skills, supervisory skills, emergency response and care, team building, stress management, supervisory development, etc.

Employee welfare always remains among the high priorities of the management and thus it continued to take various initiatives like investments in health insurance for its employees, organising medical check-ups and augmenting employee awareness on health issues etc. During the year under review, the Company has conducted various programs like sports week, republic day celebration, annual day celebration, rewarding long service employee, quiz competition, slogan competition etc.

At present, the total employees' strength of the Company is around 800.

CAUTIONARY STATEMENT

Certain expectations and projections regarding the future performance of the Company referenced in the annual report may be constituted as 'forward looking statements' within the meaning of applicable laws and regulations. Although we believe that our expectations and projections are based on reasonable assumptions, any forward-looking statements are not guarantees of future performance. All the forward-looking statements are intrinsically predictive, speculative and involve risks, uncertainties and other factors that may cause actual outcome, performance, achievements or financial position to be materially different from any future outcome, performance, achievements or financial position articulated or implied by these forward-looking statements. Every possible caution is undertaken to identify the risks and uncertainties that can affect the Company's performance elsewhere in this report, and investors are urged to thoroughly and carefully consider these risks and uncertainties while evaluating the Company's performance.

CORPORATE GOVERNANCE REPORT (ANNEXURE TO THE DIRECTORS' REPORT)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Genus believes that good Corporate Governance is a continuous journey and therefore reiterates its commitment to pursue the highest level of transparency, accountability, integrity and equity in all its operations. Genus always endeavors for setting high standards of Corporate Governance by adopting and adhering to the policies and practices that are ethical and transparent. The Company in addition to complying with the statutory requirements, also continuously endeavors to follow other voluntary practices/procedures to protect the shareholders' interest and to ensure higher long term value for them. The Company understands its responsibility towards all its stakeholders and community and therefore continuously benchmarking itself against all such policies and practices.

2. BOARD OF DIRECTORS ("The Board")

The Board is the apex body for whom the directors are elected or appointed by the members of the Company at the General Meetings. The Board has been empowered with the requisite power and authority and also entrusted with the overall responsibility of the management, performance and affairs of the Company. The Board of the Company has an optimal combination of knowledge, experience and professionalism.

A brief profile of directors is as follows:

- **Mr. Ishwar Chand Agarwal**, aged 62, Executive Chairman of the Company is an industrialist of repute. A commerce graduate by profession he ventured into business at early age and now has an enriched experience of more than four decades in diverse fields & businesses with special attention on strategic planning, business diversification and development. He is a founder promoter of progressive and reputed Kailash Group. With a vision and foresight to understand an opportunity thrown open by the energy sector, he has been a driving force behind the success of the Company. He is the Chairman of Sales Committee, Finance Committee and Restructuring Committee of the Company. He is also a Director on the Board of Genus Electrotech Limited, Kailash Coal And Coke Company Ltd., Genus Paper Products Limited, Kailash Industries Limited, Genus Innovation Limited, Genus Paper & Boards Limited, Virtuous Infra Limited, Genus International Commodities Limited and Greentech Mega Food Park Private Limited.
- **Mr. Kailash Chandra Agarwal**, aged 41 years, Joint Managing Director of the Company is a Bachelor of Science with an experience of over two decades in the field of budgeting, asset management, investment strategy, corporate finance and accounting with special focus on maintaining investor relationship. He has been instrumental in bringing professional excellence in the Company's financial management. He is member of Restructuring Committee of the Company. He is also one of the promoters of the Company. He is the Managing Director of Genus Paper Products Limited and Director of Kailash Industries Limited, Kailash Coal And Coke Company Ltd., Kailash Vidyut and Ispat Limited, Virtuous Urja Limited, Virtuous Infra Limited, Indo Global Papers Limited, Genus Paper & Boards Limited, Genus Apparels Limited and several private limited companies.
- **Mr. Rajendra Kumar Agarwal**, aged 37 years, an Electronic Engineer by profession is a Whole-time Director designated as Executive Director and Chief Executive Officer (CEO) of the Company. He is responsible for the corporate strategy, planning, day-to-day operations and all management matters of the Company. He has over a decade of rich corporate experience in operational management, risk management and technology advancement with special focus on innovation with persistent R&D. He is entrusted with a responsibility of steering Genus on the path of greater success and excellence. He is member of the Sales Committee, Restructuring Committee and Finance Committee of the Company. He is also one of the promoters of the Company. He is also a Director on the Board of Genus Electrotech Limited and Hi-Print Electromack Private Limited.
- **Mr. Jitendra Kumar Agarwal**, aged 35 years, holds a Master's degree in Business Administration (MBA) (Marketing). He is on the Board of the Company as Whole-time Director designated as Executive Director (Marketing) since September, 2004. A second generation entrepreneur, he hails from a business family engaged in diversified businesses under the Kailash Group. He has enriched experience of eight years in managing all crucial aspects of marketing, branding, sales functions and other key areas of sales and has good entrepreneur skills to convert opportunities into business. He is a charter member of TIE, Rajasthan (a global, not-for-profit network of entrepreneurs and professionals dedicated to the advancement of entrepreneurship), member of Young Entrepreneurs Organization (YEO), Jaipur, and member of executive governing council of the 'Indian Electrical & Electronics Manufacturers Association' (IEEMA). He is also a member of Sales Committee, Restructuring Committee and Finance Committee of the Company. He is also one of the promoters of the Company. He is also a Director of Genus Innovation Limited and Genus International Commodities Limited.
- **Mr. Bhairon Singh Solanki (Wg. Cdr. (Retd.))**, aged 85 years, is a true technocrat. He did his M.Sc. (Engg.) from Cranfield Institute of Technology, Cranfield, Bedfordshire, England (Now Cranfield University). He has been a well-known and respected personality in the field of electronics. He has extensively travelled to UK, USA, France, Sweden, Yugoslavia, Russia and Italy, giving him an opportunity to visit some of the most renowned energy T&D units in the world and interact with world's leading enterprises for technology transfer / collaboration. He had worked in Indian Air Force from 1952 to 1970. During this period he worked in different



fields from teaching to development. He developed the first ever Early Warning Radar Set while working at No.9 BRD, AF Pune. As Chief Technical Instructor (Radar), he imparted training and developed an ECM system to counteract missile guidance radar of the enemy. The President of India awarded him Vishist Sewa Medal (VSM) for this contribution in 1972. He has worked as Chief Designer and GM of Hindustan Aeronautics Ltd. (HAL) and MD of Rajasthan Communications Ltd. (RCL). He is a Non-Executive and Independent Director of the Company and also a member of Investors' Grievance Committee, Remuneration/Compensation Committee and Audit Committee of the Company. He is also the Chairman & Managing Director of Soltronix (Raj) Ltd. and a Director on the Board of Genus Paper Products Limited.

- **Mr. Rameshwar Pareek**, aged 68 years, holds a Master's degree in Economics. He has extensive experience of more than 35 years in implementation of Government policies and their governance. He has worked as Senior Executive of Rajasthan Financial Corporation, Jaipur and also served on deputation to Bureau of Industrial Promotion (BIP), Jaipur. Apart from vast industrial exposure and in-depth knowledge of trade policies and their implications, he is armed with decades of experience and immense knowledge of accounting, auditing, finance, corporate affairs and allied legal related matters. He is a Non-Executive and Independent Director of the Company. He is the Chairman of Audit Committee and Remuneration/Compensation Committee and a member of Restructuring Committee and Investors' Grievance Committee of the Company. He is a Director of Mayur Uniquoters Limited, Genus Electrotech Ltd., Kailash Vidyut & Ispat Limited, K G Petro Chem Limited, Genus Prime Infra Limited, Genus Paper Products Limited, Virtuous Urja Limited and Virtuous Infra Limited.
- **Mr. Indraj Mal Bhutoria**, aged 44 years, is graduated with a Bachelor of Commerce degree. He has functional expertise and experience of over two decades in the business of coal and coke. He also has industrial exposure of over two decades in diverse fields such as trade policies, marketing strategies, etc. He is a Non-Executive and Independent Director of the Company. He is a Director of Godavari Commodities Limited and several private limited companies.
- **Mr. Dharam Chand Agarwal**, aged 60 years, holds Bachelor of Commerce degree. He is an eminent businessman and has vast experience and proficiency in business management with a strong background in financial arenas. With great entrepreneur skills, he has made his mark in the business of Timber & Plywood in India. He is a Non-Executive and Independent Director of the Company and also a Chairman of the Investors' Grievance Committee and Remuneration Committee and a member of the Audit Committee of the Company. He is also a director on the Board of Genus Prime Infra Limited
- **Mr. Udit Agarwal** was appointed on the Board of Directors of the Company in October, 2009. Mr. Udit Agarwal, aged 39 is a young and energetic businessman. He holds Bachelor of Commerce (Hons) degree. He has vast experience of more than 15 years in the business of export of handicraft items and is belonged to a reputed business house 'Saran Group'. He has strong ability to provide insightful feedbacks and recommendations. He is a Non-Executive and Independent Director of the Company. He is also a director on the Board of Virtuous Urja Limited.
- **Mr. Naveen Gupta** aged 41 years, is a known name in Indian Education space specifically in North India. At a very early age, he took up the mantle of leading the IEC Group, a software education conglomerate. About a decade ago, he then took initiative to educate young India and foray into the formal education and opened colleges with name IEC Group of Institutions. Recently he has been conferred with the Honorary Doctorate Degree by LTSNU, Ukraine. He is awarded with Doctorate of Science and Doctorate of Tourism and Information Technology by LTSNU, Ukraine for his contribution to these sectors. He is a Non-Executive and Independent Director of the Company. He is also a Director on the Boards of IEC Education Limited, IEC Leasing and Capital Management Limited, IEC Learning and Management Limited, IEC Education and Infrastructure Limited and several private limited companies.

(i) Composition :

As on March 31, 2012, the composition of the Board is in conformity with Clause 49 of the Listing Agreement, which stipulates that the Board of directors of the company shall have an optimum combination of executive and non-executive directors with not less than fifty percent of the board of directors comprising of non-executive directors. Where the Chairman of the Board is an executive director or promoter director, at least half of the Board should comprise of independent directors.

As on March 31, 2012, the Board of Genus consists of ten directors. Besides the Chairman, who is an Executive Promoter Director, the Board comprises of three Executive Directors and six Non-Executive Independent Directors.

The composition of the Board and categories of the directors, their attendance at the Board Meetings and Annual General Meeting, the numbers of Directorships and Committees positions in other companies during the year under review, are given below :

| Name of the Director | Nature of Directorship | Promoter (P)/ Non Promoter (NP) | Attendance at last AGM held (Yes/No) | No. of Board Meetings attended | No. of Directors -hips of other Indian Companies# | No. of other Board Committee Membership (Chairmanship)## |
|---------------------------------|------------------------|---------------------------------|--------------------------------------|--------------------------------|---|--|
| 01. Mr. Ishwar Chand Agarwal | Chairman | P | Yes | 11 | 08 | NIL (NIL) |
| 02. Mr. Kailash Chandra Agarwal | JMD | P | Yes | 08 | 09 | 02 (NIL) |
| 03. Mr. Rajendra Kumar Agarwal | ED & CEO | P | No | 11 | 01 | NIL (NIL) |
| 04. Mr. Jitendra Kumar Agarwal | ED | P | No | 10 | 03 | NIL (NIL) |
| 05. Mr. Bhairon Singh Solanki | NENID | NP | No | 11 | 02 | 02 (NIL) |
| 06. Mr. Indraj Mal Bhutoria | NENID | NP | No | 09 | 02 | NIL (NIL) |
| 07. Mr. Rameshwar Pareek | NENID | NP | Yes | 11 | 07 | 04 (including 3 as Chairman) |
| 08. Mr. Dharam Chand Agarwal | NENID | NP | No | 11 | 01 | 02 (including 2 as Chairman) |
| 09. Mr. Udit Agarwal | NENID | NP | No | 11 | Nil | NIL (NIL) |
| 10. Mr. Naveen Gupta | NENID | NP | No | 03 | 04 | NIL (NIL) |
| 11. Mr. Giriraj Kishore Sharma* | ED | NP | No | 07 | 01 | NIL (NIL) |
| 12. Mr. Vishnu Todi** | NENID | P | No | 04 | 01 | NIL (NIL) |

Note :

- # The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships in foreign companies, companies registered under Section 25 of the Companies Act, 1956 and private limited companies.
- ## In accordance with Clause 49 of the Listing Agreement, Memberships/Chairmanships of only Audit Committees and Shareholders'/ Investors' Grievance Committees in all public limited companies (excluding Genus Power Infrastructures Limited) have been considered.
- * Ceased to be Director on account on his death w. e. f. October 10, 2011.
- ** Ceased to be Director on account of his resignation w. e. f. December 05, 2011.
- JMD - Joint Managing Director
 - ED - Executive Director
 - CEO - Chief Executive Officer
 - NENID - Non-Executive, Non Independent Director
 - NEID - Non-Executive, Independent Director

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956, except Mr. Ishwar Chand Agarwal, Mr. Kailash Chandra Agarwal, Mr. Rajendra Kumar Agarwal and Mr. Jitendra Kumar Agarwal, who are related to each other.

(ii) Board Meeting and Procedure :

During the financial year 2011-12, eleven meetings of the Board were held and the gap between two meetings did not exceed four months. The dates on which the said Board meetings were held, are as follows :-

| | | | | | |
|----------------|----------------|---------------|---------------|---------------|---------------|
| April 01, 2011 | April 29, 2011 | June 22, 2011 | July 07, 2011 | July 15, 2011 | July 27, 2011 |
| Sept 15, 2011 | Oct 05, 2011 | Nov 12, 2011 | Jan 11, 2012 | Feb 11, 2012 | - |

All the Board meetings were convened by giving proper notice. Most of the Board meetings were held at the corporate office. The Company Secretary prepared the agenda and the explanatory notes, in consultation with the Chairman, JMD and CEO. However, every Director was free to suggest any item to include in the agenda for consideration in the Board Meeting. The agenda was circulated in advance to all the Directors. All possible documents were attached to the agenda but where impracticable to attach, were tabled before the meeting. The Directors on the Board have unfettered and complete access to all information of the Company. The Company provides an option to directors for whom it may not be possible to be physically present at the meetings, to participate in meetings through video or teleconferencing facilities. The Company Secretary recorded the minutes of the proceedings of all the Board meetings and Committee meetings and the same were entered in the Minutes Book within the stipulated time and manner as prescribed under the Companies Act, 1956 and its rules and regulations.

(iii) Code of Conduct for Directors and Senior Management Personnel (Pursuant to Clause 49(1)(D) of the Listing Agreement):

In compliance of Clause 49 of the Listing Agreement, the Company has a well-defined and comprehensive 'Code of Conduct' for all Board members and senior management personnel of the Company. The code of conduct has also been posted on the website of the Company. All Board members and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company on annual basis. A declaration signed by the CEO in terms of Clause 49(1)(D)(ii) of Listing Agreement is enclosed at the end of this Report.

(iv) Code of Conduct for Prevention of Insider Trading:

Pursuant to SEBI (Prohibition of Insider Trading) Regulation, 1992, the Company has formulated a Code of Conduct for prevention of insider trading. The Code is applicable to all the directors, promoters and other designated employees of the Company, who deal in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position or work in the Company. The Code has guidelines in respect of procedures to be followed and disclosures to be made while dealing with shares of the Company. The trading window remains closed at the time of declaration of results, dividend and all other material events. The Company takes yearly/periodically relevant disclosures under the said regulation from the directors/promoters/officers/designated employees.

3. COMMITTEES OF THE BOARD

The Board Committees have been constituted to deal with the specific areas or matters, which need detailed and urgent review and hence these Committees play a critical role in decision making process of the Board. The Committees have adequate delegation of powers to discharge respective functions as well as to meet the requirements of the business of the Company. The execution of the responsibilities by the Committees is supervised by the Board who is also responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. At present, the Board has six committees, as follows:

- | | |
|---|-----------------------------|
| (A) Audit Committee | (D) Sales Committee |
| (B) Investors' Grievances Committee | (E) Finance Committee |
| (C) Remuneration/Compensation Committee | (F) Restructuring Committee |

The details of the Committees constituted by the Board are given below:

(A) Audit Committee:

The Audit Committee of the Company comprises of non-executive independent directors. The Committee is headed by Mr. Rameshwar Pareek. All the members of the Committee are financially literate with the requisite expertise and experience. The Chairman of the Audit Committee attended the previous Annual General Meeting of the Company to answer shareholders' queries.

The composition of the Audit Committee and attendance of its members at their meetings held during the year under review are as under:

| Name of the Member | Status | Position | No. of Meetings | |
|------------------------------|----------|---------------------------|-----------------|----------|
| | | | Held | Attended |
| 1. Mr. Rameshwar Pareek | Chairman | Independent Non-Executive | 5 | 5 |
| 2. Mr. Bhairon Singh Solanki | Member | Independent Non-Executive | 5 | 5 |
| 3. Mr. Dharam Chand Agarwal | Member | Independent Non-Executive | 5 | 5 |

The Company Secretary of the Company acts as a Secretary to the Committee. The Statutory Auditors, Cost Auditors, Internal Auditors, Director responsible for the Accounts & Finance function, CFO and Officer heading Accounts & Finance department of the Company are permanent invitees to the meetings of the Audit Committee.

During the financial year under review, five meetings of the Audit Committee were held on April 28, 2011, July 26, 2011, November 11, 2011, January 11, 2012 and February 11, 2012. The necessary quorum was present for all the meetings. The maximum time gap between any two meetings was not more than four calendar months.

The powers of the Audit Committee are as under:

- To investigate any activity within its terms of reference.
- To seek information from any employee
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee are in line with the guidelines set out in the Listing Agreement with the Stock Exchanges and the provisions of section 292A of the Companies Act, 1956 and that inter alia include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
 - b) Changes, if any, in accounting policies and practices and reasons for the same ;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Qualifications in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with management the annual financial statements of the subsidiary companies;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors for any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- Review of the following information:
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses; and
 - e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- Carrying out any other function as assigned by the Board of Directors.

(B) Investors' Grievances Committee :

The composition of the Investors' Grievance Committee and attendance of its members at their meetings held during the financial year under review are as under:

| Name of the Member | Status | Position | No. of Meetings | |
|------------------------------|----------|---------------------------|-----------------|----------|
| | | | Held | Attended |
| 1. Mr. Dharam Chand Agarwal | Chairman | Independent Non-Executive | 5 | 5 |
| 2. Mr. Rameshwar Pareek | Member | Independent Non-Executive | 5 | 5 |
| 3. Mr. Bhairon Singh Solanki | Member | Independent Non-Executive | 5 | 5 |

The Investors' Grievance Committee meets as and when necessity arises. Any two members present form the quorum. The Company Secretary of the Company is the Compliance Officer and also acts as Secretary of the Committee.

The Committee met five times during the year under review and the meetings were held on April 09, 2011, April 18, 2011, April 20, 2011, December 31, 2011 and January 19, 2012.

During the year under review, the Company received 6 (six) complaints from shareholders and all were resolved timely and satisfactorily. There was no pending complaint as on March 31, 2012.

The terms of reference of the Committee are as under:

- To oversee and review all matters related with transfer, transmission, transposition, dematerialisation, rematerialisation and mutation of securities.
- To approve issue of share certificates including duplicate, splitted/sub-divided or consolidated certificates.
- To oversee and review redressal of shareholders' grievances related to transfer, transmission, transposition, dematerialisation, rematerialisation, mutation of securities and issue of share certificates including duplicate, splitted / sub-divided or consolidated certificates.
- To look into redressal of shareholders' grievances relating to non-receipt of declared dividends, non-receipt of Annual Report, etc.
- To oversee the performance of the Registrar and Share Transfer Agent of the Company.

(C) Remuneration Committee / Compensation Committee :

The Remuneration Committee was comprised of Independent Directors and headed by Mr. Dharam Chand Agarwal. The composition of the Remuneration Committee and attendance of its members at their meetings held during the financial year under review are as under:

| Name of the Member | Status | Position | No. of Meetings | |
|------------------------------|----------|---------------------------|-----------------|----------|
| | | | Held | Attended |
| 1. Mr. Dharam Chand Agarwal | Chairman | Independent Non-Executive | 1 | 1 |
| 2. Mr. Rameshwar Pareek | Member | Independent Non-Executive | 1 | 1 |
| 3. Mr. Bhairon Singh Solanki | Member | Independent Non-Executive | 1 | 1 |

The Company Secretary of the Company acts as Secretary to the Committee.

During the year under review, the Committee has met once on July 25, 2011.

The Remuneration Committee was re-designated as Compensation Committee on 08.11.2012. The composition of the Compensation Committee is as under:

| Name of the Member | Status | Position |
|------------------------------|----------|---------------------------|
| 1. Mr. Rameshwar Pareek | Member | Independent Non-Executive |
| 2. Mr. Dharam Chand Agarwal | Chairman | Independent Non-Executive |
| 3. Mr. Bhairon Singh Solanki | Member | Independent Non-Executive |

The Company Secretary of the Company shall act as Secretary to the Committee.

The terms of reference of Compensation committee shall include;

- (a) approving remuneration & terms of whole time directors within the overall ceiling approved by the shareholders;
- (b) assisting the Board in respect of compensation matters and policies for the Company, reviewing compensation strategies for the Company, and generally making recommendations to the Board in respect of compensation matters for the Company;

- (c) formulating, approving, implementing, supervising and administering employee stock option schemes of the Company; and
 (d) carrying out any other function as assigned by the Board.

The Compensation Committee shall meet as and when necessity arises or as required for the purpose of formulating, approving, implementing, supervising and administering the employee stock option schemes of the Company.

The details of remuneration paid to managerial personnel during the year 2011-12 are given below:

| Name of the Director | Salary (Rs.) | Allowances & Perquisites (Rs.) | Total (Rs.) |
|--------------------------------|--------------|--------------------------------|-------------|
| 1. Mr. Ishwar Chand Agarwal | 6720000.00 | 1680000.00 | 8400000.00 |
| 2. Mr. Rajendra Kumar Agarwal | 3240000.00 | 360000.00 | 3600000.00 |
| 3. Mr. Jitendra Kumar Agarwal | 3240000.00 | 360000.00 | 3600000.00 |
| 4. Mr. Giriraj Kishore Sharma* | 396000.00 | 594000.00 | 990000.00 |

*Upto October 10, 2011 (ceased to be director on account of death)

The managerial personnel have not been paid any bonus and fees. Further, no employee stock option has been offered to any of them by the Company.

Sitting fee paid to the Non-executive directors of the Company during the year under review is given below:

| Name of the Director | Amount (Rs.) |
|------------------------------|--------------|
| 1. Mr. Rameshwar Pareek | 11,000/- |
| 2. Mr. Bhairon Singh Solanki | 17,000/- |
| 3. Mr. Indraj Mal Bhutoria | 4,500/- |
| 4. Mr. Dharam Chand Agarwal | 11,000/- |
| 5. Mr. Udit Agarwal | 5,500/- |
| 6. Mr. Naveen Gupta | 1,500/- |

The numbers of shares or convertible instruments held by non-executive independent directors are as follows:

| Name of Director | No. of Shares | Convertible Instruments |
|------------------------------|---------------|-------------------------|
| 1. Mr. Rameshwar Pareek | NIL | NIL |
| 2. Mr. Bhairon Singh Solanki | 10,000 | NIL |
| 3. Mr. Indraj Mal Bhutoria | NIL | NIL |
| 4. Mr. Dharam Chand Agarwal | NIL | NIL |
| 5. Mr. Udit Agarwal | NIL | NIL |
| 6. Mr. Naveen Gupta | NIL | NIL |

Non-executive directors do not have any material pecuniary relationship and transaction with the Company, promoters and management, except as stated above.

(D) Sales Committee :

The composition of the Sales Committee and attendance of its members at their meetings held during the year under review are as under:

| Name of the Member | Status | Position | No. of Meetings | |
|-------------------------------|----------|---------------------------|-----------------|----------|
| | | | Held | Attended |
| 1. Mr. Ishwar Chand Agarwal | Chairman | Chairman | 22 | 21 |
| 2. Mr. Rajendra Kumar Agarwal | Member | Executive Director | 22 | 22 |
| 3. Mr. Jitendra Kumar Agarwal | Member | Executive Director | 22 | 22 |
| 4. Mr. Bhairon Singh Solanki* | Member | Non-Executive Independent | 22 | 12 |

Note: *Ceased to be Member of the Committee w.e.f. October 05, 2011

The Sales Committee was re-constituted by the Board of Directors on October 05, 2011 with the revised terms of reference. The following Directors are the members of the re-constituted Sales Committee : -

| Name of the Member | Status | Position |
|-------------------------------|----------|--------------------|
| 1. Mr. Ishwar Chand Agarwal | Chairman | Chairman |
| 2. Mr. Rajendra Kumar Agarwal | Member | Executive Director |
| 3. Mr. Jitendra Kumar Agarwal | Member | Executive Director |

The Company Secretary of the Company acts as Secretary of the Committee.

During the year under review, twenty two meetings of the Sales Committee were held on April 01 2011, April 22, 2011, May 18, 2011, May 31, 2011, June 23, 2011, July 11, 2011, July 20, 2011, August 06, 2011, August 18, 2011, September 02, 2011, September 22, 2011, September 28, 2011, October 17, 2011, October 21, 2011, November 15, 2011, December 09, 2011, December 29, 2011, January 16, 2012, February 01, 2012, February 15, 2012, March 16, 2012 and March 27, 2012.

The terms of reference of the said Committee were revised on October 05, 2011, which are as follows:

- Review sales related matters;
- Formulate and review marketing strategies;
- Participate in tenders/bids floated by SEBs, Private Utilities, etc.;
- Sign, file, amend, alter and execute all forms, applications, agreements, affidavits or other documents with reference to Tenders/bids floated by SEBs, Private Utilities, Govt. / Public Authorities, etc. from time to time, on behalf of the Company and to do all such acts and things as may be necessary in connection therewith;
- Review or modify contracts / arrangements / agreements executed with SEBs, Private Utilities or other vendor on behalf of the Company;
- Take all necessary actions and do all such acts and things as may be necessary in connection with the execution of orders/LoI;
- Deal with SEBs, Private Utilities, Govt. / Public Authorities or other vendors on behalf of the Company in respect of execution of orders / LOI / contracts / agreements / arrangements and receipt of payments; and
- Sub-delegate all or any powers hereby conferred to other Officer/Officers of the Company or other person(s) as he may think fit and proper in the interest of the Company.

(E) Finance Committee:

The composition of Finance Committee and attendance of its members at their meetings held during the year under review are as under:

| Name of the Member | Status | Position | No. of Meetings | |
|-------------------------------|----------|--------------------|-----------------|----------|
| | | | Held | Attended |
| 1. Mr. Ishwar Chand Agarwal | Chairman | Chairman | 18 | 17 |
| 2. Mr. Rajendra Kumar Agarwal | Member | Executive Director | 18 | 17 |
| 3. Mr. Jitendra Kumar Agarwal | Member | Executive Director | 18 | 17 |

The Company Secretary of the Company acts as Secretary to the Committee. The Director responsible for Finance function, CFO and Officer heading Accounts & Finance department of the Company are permanent invitees to the meetings of the Finance Committee.

The Finance Committee met eighteen times during the year under review and the meetings were held on April 01, 2011, April 13, 2011, April 26, 2011, April 28, 2011, May 04, 2011, June 17, 2011, June 23, 2011, July 01, 2011, August 06, 2011, September 23, 2011, October 20, 2011, November 18, 2011, December 12, 2011, December 23, 2011, January 06, 2012, January 18, 2012, February 07, 2012 and February 14, 2012.

The terms of reference of the Committee are as under:

- Borrow moneys and exercise all powers to borrow moneys (otherwise than by issue of debentures) not exceeding Rs.2000 crore in aggregate at any time and taking all necessary actions connected therewith within the limit prescribed under law.
- Provide guarantee including performance guarantee, issue letter of comfort and providing securities and taking all necessary actions connected therewith (subject to compliance u/s 372 A of Companies Act, 1956).
- Review of banking arrangement and taking all necessary actions connected therewith including refinancing for optimization of borrowing costs (subject to overall limit of borrowing).
- Review of the Company's financial policies, strategies and capital structure.
- Review of working capital and cash flow management.
- Consider viability for issuance of new modes of securities including foreign funds subject to laws applicable.
- Advise on financial matters/policies in overall interest of Company.

(F) Restructuring Committee:

The Restructuring Committee was formed by the Board of Directors on January 11, 2012 to take all necessary steps as may be considered necessary in connection with the Scheme of Arrangement ("Scheme"), inter-alia involving merger of Genus Paper Products Limited into the Company and demerger of 'Non Power Infrastructure Undertaking' of the Company into a 100% subsidiary of the Company, Genus Paper & Boards Limited. The following Directors are the Members of the Restructuring Committee:

1. Mr. Ishwar Chand Agarwal, Chairman (Chairman)
2. Mr. Kailash Chandra Agarwal, Joint Managing Director (Member)
3. Mr. Rajendra Kumar Agarwal, Executive Director & CEO (Member)
4. Mr. Jitendra Kumar Agarwal, Executive Director (Member)
5. Mr. Rameshwar Pareek, Independent Director (Member)

The Company Secretary of the Company shall act as Secretary to the Committee.

The Restructuring Committee meets as and when necessity arises. During the year under review, the Committee has met once on February 11, 2012.

The terms of reference of the Committee are as under:

- to make such alterations or changes or modifications or withdrawal of the Scheme therein as may be expedient or necessary for satisfying the requirement or condition imposed by the jurisdictional High Court(s), or other regulatory authority/(ies);
- to take all necessary steps in connection with:
 - (a) the filing the Scheme with relevant regulatory authorities, including the stock exchanges where the Company's shares are listed, and thereafter with the relevant jurisdictional High Court(s) for approval;
 - (b) the filing of applications with the jurisdictional High Court(s) seeking directions for holding the meetings of the shareholders and creditors of the Company and/ or for seeking dispensation from convening the said meetings;
 - (c) the filing of petitions for confirmation of the Scheme with the jurisdictional High Court(s) in accordance with the provisions of the Companies Act, 1956;
 - (d) the filing of affidavits, petitions, pleadings, applications, certificates, declarations, undertakings, proceedings or any other documents incidental or deemed necessary or useful in connection with the above proceedings and to engage counsels, advocates, advisors, chartered accountants, merchant bankers and other professionals and to sign and execute vakalatnamas wherever necessary and to do all acts necessary or incidental to the said proceedings for obtaining confirmation of the Scheme by the concerned High Court(s), Stock Exchanges and other regulatory agencies;
 - (e) doing all such acts and deeds, execute documents, authorise persons, take all steps necessary or incidental and considered appropriate with regard to the above applications and petitions and implementation of the Orders passed thereon and generally for putting through the Scheme and completing the same.
- to access all books, records, facilities and personnel of the Company as deemed necessary or appropriate by any member of the Committee to discharge his or her responsibilities;
- to pay, at the expense of the Company, ordinary administrative expenses, including expenditures for external resources, that, as determined by the Committee, are necessary or appropriate in carrying out its duties; and
- any other function as assigned by the Board of Directors.

4. CEO/CFO CERTIFICATION

In pursuance to Clause 49V of the Listing Agreement, the certification on the financial statements for the financial year under review has been obtained. The copy of said statement is enclosed at the end of this Report.

5. GENERAL BODY MEETINGS

- a) The location, date and time of last three Annual General Meetings are as under:

| Year | Location | Date | Time |
|-----------|---|------------|------------|
| 2008-2009 | 76, Defence Enclave, Vikas Marg, Delhi-110092 | 26.09.2009 | 3.00 P.M. |
| 2009-2010 | G-81, Preet Vihar, Vikas Marg, Delhi-110092 | 17.09.2010 | 3.00 P.M. |
| 2010-2011 | G-78, Preet Vihar, Vikas Marg, Delhi-110092 | 10.09.2011 | 11.00 A.M. |

- b) The details of the special resolutions passed in the previous three Annual General Meetings are as under:

| AGM | Subject of Special Resolution |
|----------------------|---|
| 17th (26.09.2009) | <ul style="list-style-type: none"> Amendment in articles of association of the Company. Re-appointment of Mr. Rajendra Kumar Agarwal as Executive Director and payment of remuneration. Re-appointment of Mr. Giriraj Kishore Sharma as Whole-time Director and payment of remuneration |
| 18th (17.09.2010) | <ul style="list-style-type: none"> Amendment in articles of association of the Company. Re-appointment of Mr. Giriraj Kishore Sharma as Whole-time Director and increment in the remuneration payable to him. Split of Face & Paid-up Value of Equity Shares of Rs.10/- each into ten equity shares of Re.1/- (one) each fully paid and that Clause V (Capital Clause) of the Memorandum of Association and Article 4 of the Articles of Association of the Company relating to equity shares altered accordingly. Authorisation for raising fund to the extent of USD 50 million or in Rupees equivalent thereof. |
| 19th (10.09.2011) | <ul style="list-style-type: none"> Amendment in articles of association of the Company. Re-appointment of Mr. Giriraj Kishore Sharma as Executive Director of the Company for a period of three years with effect from 24.07.2011. Re-appointment of Mr. Jitendra Kumar Agarwal as Executive Director of the Company for a period of three years with effect from 20.09.2011. Authorisation for shifting of the Registered Office of the Company, from the National Capital Territory of Delhi to the State of Uttar Pradesh ('U.P.') and Clause II of the Memorandum of Association of the Company be altered by substituting the words "N C T of Delhi" by the words "State of Uttar Pradesh" |

- c) The details of ordinary/special resolutions passed through postal ballot pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, during the financial year 2011-2012:

| Subject of Resolution | Particulars of Resolutions |
|--|--|
| Shifting of the Registered Office | Approval for shifting of the Registered Office of the Company, from the National Capital Territory of Delhi to the State of Maharashtra and alteration of Clause of the Memorandum of Association of the Company by substituting the words "N C T of Delhi" by the words "State of Maharashtra". |
| Alteration in the Articles of Association | Alteration of the Articles of Association of the Company by inserting a new Article '4B' immediately after '4A' of the Articles of Association of the Company, with the view to authorise the Company to buy back any shares or other specified security/(ies). |
| Amendment in Memorandum of Association | Alteration in the sub-clauses 16 and 19 of Clause III-(B) of the Memorandum of Association of the Company insertion of the words "through merger/amalgamation scheme or otherwise" and the words "including de-merger", respectively in said clauses. |
| Appointment of Shri Kailash Chandra Agarwal as Director | Appointment of Shri Kailash Chandra Agarwal as a Director of the Company subject to retirement by rotation under the provisions of the Articles of Association of the Company |
| Appointment of Shri Kailash Chandra Agarwal as Joint Managing Director | Appointment of Shri Kailash Chandra Agarwal as Joint Managing Director of the Company for a period of three years w. e. f. January 24, 2011, without any remuneration and perquisites |

Mr. C.M. Bindal, GDCA, FCS, MIIA, Practising Company Secretary & Corporate Consultant was appointed as the Scrutinizer for the postal ballot process. The last date for receiving the postal ballot forms was the close of working hours on Wednesday, May 04, 2011. Based on the Scrutinizer's Report, the Chairman has declared the result of the postal ballot on May 06, 2011 at the registered office of the Company. The voting pattern on the postal ballot was, as follows:

| S. No. | Description | Number |
|--------|--|--------------------|
| 1 | Total Votes | 15,19,06,820 |
| 2 | Total Votes Casted | 6,28,23,490 |
| 3 | Total Valid Votes Casted | 6,28,23,490 |
| 4 | Total Valid Votes Casted in favour of the Resolution | 6,28,23,490 (100%) |
| 5 | Total Valid Votes Casted against the Resolution | Nil |

Accordingly the said Resolutions were approved by the shareholders, with requisite majority.

6. BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

| Name of Director | Mr. Rajendra Kumar Agarwal | Mr. Bhairon Singh Solanki |
|---|--|--|
| Date of Birth | 06.10.1975 | 24.12.1927 |
| Date of Original Appointment | 01.01.2001 | 04.03.2002 |
| Qualification | B.E. in Electronics | Master of Science (Engineering) |
| Expertise in specific functional areas | Has over a decade of rich corporate experience in operational management, risk management and business leadership with special focus on innovation with persistent R&D in technology development | A true technocrat with an extensive experience of 60 years in in the field of electronic technology advancement with expertise in advance wireless communication technologies for defence system |
| No. of Equity Shares held as on March 31, 2012 | 5,15,230 | 10,000 |
| List of outside Company Directorship held | 1. Genus Electrotech Limited 2. Hi-Print Electromack Pvt. Ltd. | 1. Genus Paper Products Limited 2. Soltronix (Raj.) Ltd. |
| Membership of Committees the Board of other Companies | Nil | In following committees of Genus Paper Products Limited: 1. Audit Committee 2. Remuneration Committee (As Chairman) 3. Shareholders' Grievance Committee |

7. SUBSIDIARY COMPANY

The Company does not have any material non-listed Indian Subsidiary Company. The Company has only unlisted wholly owned subsidiary company viz. Genus Paper & Boards Limited, which was incorporated on January 11, 2012. The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary company, if any. The minutes of the Board meetings of the unlisted subsidiary company have been placed at the Board meetings of the Company. A statement of all significant transactions and arrangements entered into, if any by the unlisted subsidiary company is periodically placed before the Board of Directors of the Company.

8. MEANS OF COMMUNICATION

The Company believes that prompt and effective communication of information plays a very crucial role for good corporate governance. It regularly shares information and data through below mentioned multiple channels of communication:-

- The quarterly/half-yearly/annual audited/unaudited financial results of the Company were sent to the concerned Stock Exchanges immediately after they were approved by the Board of Directors.
- The results were published in widely circulated national and local daily newspapers such as 'The Economic Times/Business Standard/Financial Express' in English and 'Business Standard/Nav Bharat Times/Jansatta' in Hindi.
- Annual Reports, notices and all other documents that are needed to be communicated to the shareholders are being sent via email to all those shareholders, who have registered their e-mail addresses to the Depository Participants and physical copies are sent to those shareholders who have not registered their email addresses or those who wishes to get the physical copies of the aforesaid documents.
- The Company's full Annual Report, Shareholding Pattern, Corporate Governance Report, Management Discussion and Analysis Report, Financial Results, News, Events, etc. were also posted on the Company's website, 'www.genus.in'.

9. FIXED DEPOSITS

There are no deposits invited in terms of provisions of section 58A or 58AA of Companies Act, 1956 and rules made thereunder, thus no case of overdue or non-payment of deposits arises.

10. NAME AND DESIGNATION OF THE COMPLIANCE OFFICER

Mr. Ankit Jhanjhari, Company Secretary is the Compliance Officer of the Company for complying with provisions of the Listing Agreement, Company Law and SEBI Rules & Regulations. His email ID is 'cs@genus.in'.



11. DISCLOSURES

(A) Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large

None of the transactions with any of the related parties were in conflict with the interest of the Company. During the year under review, there were some transactions with Directors/Promoters and other concerns in which some directors/relatives thereof are interested, which have been reported in 'Notes forming part of the Financial Statements'. All these transactions were negotiated on arms length basis and are anticipated to promote the interests of the Company

(B) Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements of clause 49 of the Listing Agreement:

The Company has complied with all the mandatory requirements and followed guidelines of Corporate Governance as set out in the Listing Agreement.

The Company has also adopted several non-mandatory requirements as stipulated under Clause 49 of the Listing Agreement. The Company has constituted a Remuneration/Compensation Committee, the details of which have been given earlier in this Report. The Company's financial statements are free from any qualifications by the Auditors. The Company imparted training to its Board members periodically on the business model of the Company as well as the risk profile of the business parameters of the Company, their responsibilities as directors and the best ways to discharge them. The directors are also provided with the necessary literature, documents and internal policies to enable them to familiarize with the Company's procedures and policies.

(C) Details of non-compliance by the Company, penalties, strictures imposed on the company by stock exchanges or SEBI, or any statutory authority, on any matter related to capital market, during the last three years:

The Company is fully compliant with all the requirements of the Listing Agreement of the Stock Exchanges as well as the applicable regulations and guidelines of SEBI, during the last three years. All returns / reports were filed within stipulated time with stock exchanges/ other authorities. There was no instance of non-compliance by the Company on any matter related to capital market during last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authorities.

(D) Whistle Blower policy and Affirmation that no personnel have been denied access to the audit committee:

Though the Company has not formulated any Whistle Blower policy, but the Company has an environment which enables employees to raise their concerns about any unethical behavior, malpractice, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. All the identified concerns are investigated and appropriate actions are taken accordingly. The Company also has a system through which the employees can directly notify their problems to the CEO of the Company. No personnel have been denied access to the Audit Committee of the Board of Directors of the Company.

(E) Committee to prevent sexual harassment for working woman

The Company believes that all women should be treated with dignity irrespective of caste, creed, class or community. The Company is committed to create a healthy work environment that enables all employees with special attention to females to work without fear of gender bias and sexual harassment in implicit or explicit form. Therefore, the Company has created a Committee to prevent sexual harassment for woman at workplace and to take strict remedial actions to rectify the complaints, if any.

12. GENERAL SHAREHOLDERS INFORMATION

(a) 20th Annual General Meeting

Date : Saturday, December 29, 2012
Time : 11.00 a.m.
Venue : Crescent Banquets, Kirtimaan Plaza, Sector-30, Noida-201001

(b) Dates of Book Closure : From Saturday, December 22, 2012 to Saturday, December 29, 2012 (both days inclusive) for the purpose of AGM and payment of dividend.

(c) Dividend Payment Date : Credit / dispatch between January 01, 2013 and January 15, 2013.

(d) Financial Calendar : Financial Year: April 01, 2012 to March 31, 2013.

Financial Results for : (Tentative)

- **First Quarter :** By July 27, 2012
- **Second Quarter :** By October 27, 2012
- **Third Quarter :** By January 27, 2013
- **Fourth Quarter :** By April 27, 2013

(e) Listing on Stock Exchanges and Stock Codes:

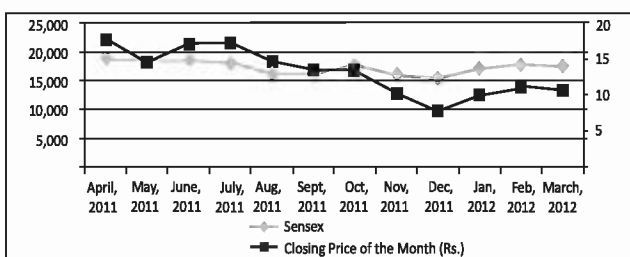
The Company's securities viz. Equity Shares are listed and traded at the following Stock Exchanges :

| S. No. | Name and address of Stock Exchanges | Stock Code |
|--------|--|------------|
| 1 | Bombay Stock Exchange Limited (BSE) Pheeroz Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 | 530343 |
| 2 | National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400051 | GENUSPOWER |

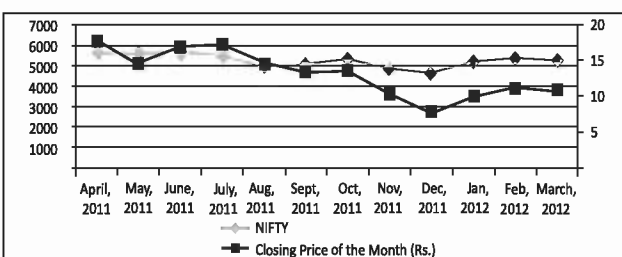
The Company has paid the Listing Fees to BSE & NSE and Custodial Fees to CDSL & NSDL for the year 2012-2013.

(f) International Securities Identification Number (ISIN): Equity Shares : INE955D01029

(g) (1) Stock performance in comparison to BSE SENSEX :



(2) Stock performance in comparison to NSE NIFTY :



(h) Market Price Data :

Highs & Lows quotations of securities* on Bombay Stock Exchange and National Stock Exchange during each month for the year 2011-2012:

| Month | Bombay Stock Exchange (BSE) | | | National Stock Exchange (NSE) | | |
|-----------------|-----------------------------|-----------|---------------|-------------------------------|-----------|---------------|
| | High (Rs.) | Low (Rs.) | Volume (Nos.) | High (Rs.) | Low (Rs.) | Volume (Nos.) |
| April, 2011 | 19.80 | 17.30 | 12,44,090 | 19.80 | 17.30 | 21,23,070 |
| May, 2011 | 17.45 | 12.10 | 11,97,816 | 17.70 | 13.05 | 19,16,671 |
| June, 2011 | 18.05 | 14.15 | 24,97,147 | 18.10 | 14.10 | 46,23,612 |
| July, 2011 | 20.70 | 16.90 | 24,14,985 | 20.60 | 16.50 | 42,06,604 |
| August, 2011 | 18.15 | 13.50 | 12,74,025 | 19.20 | 13.30 | 22,59,184 |
| September, 2011 | 17.10 | 13.20 | 3,16,383 | 16.25 | 13.20 | 9,06,173 |
| October, 2011 | 14.75 | 13.20 | 11,08,118 | 16.40 | 13.00 | 7,02,772 |
| November, 2011 | 14.80 | 10.21 | 11,67,849 | 14.85 | 10.20 | 15,85,292 |
| December, 2011 | 11.00 | 7.55 | 26,16,149 | 11.35 | 7.50 | 29,24,591 |
| January, 2012 | 12.50 | 7.68 | 16,74,468 | 12.70 | 7.80 | 21,98,525 |
| February, 2012 | 14.20 | 9.90 | 35,74,588 | 14.35 | 9.60 | 74,35,240 |
| March, 2012 | 12.00 | 10.25 | 29,11,722 | 12.20 | 10.30 | 37,28,855 |

* Securities (Equity Shares) of the Company were not traded in Stock Exchanges other than BSE & NSE during the year under review.

(i) Distribution of Shareholdings : The distribution of shareholdings as on March 31, 2012:

| Share Holding | Share Holders | | Share Holding | |
|--------------------|---------------|---------------|---------------------|---------------|
| | Number | % to Total | Number of Shares | % to Total |
| Upto 500 | 8852 | 52.01 | 19,74,023 | 1.24 |
| 501 - 1,000 | 2914 | 17.12 | 26,39,406 | 1.66 |
| 1,001 - 5,000 | 3728 | 21.90 | 96,81,512 | 6.10 |
| 5,001 - 10,000 | 766 | 4.50 | 62,03,747 | 3.90 |
| 10,001 - 50,000 | 579 | 3.40 | 1,22,53,220 | 7.71 |
| 50,001 - 1,00,000 | 72 | 0.42 | 51,13,288 | 3.22 |
| 1,00,001 and above | 110 | 0.65 | 12,10,41,624 | 76.17 |
| TOTAL | 17,021 | 100.00 | 15,89,06,820 | 100.00 |



Shareholding Pattern as on March 31, 2012 : (Equity Shares of Re.1/- each)

| Category Code | Category of Shareholders | No. of Share holders | Total No. of Shares | No. of Shares held in demat form | Total Shareholding as a % of total no. of shares | | Shares Pledge or otherwise encumbered | |
|--|--|----------------------|---------------------|----------------------------------|--|-------------------|---------------------------------------|----------------------|
| | | | | | As a % of (A+B) | As a % of (A+B+C) | No. of Shares | As a %age |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) | (VIII) | (IX)=(VIII)/(IV)*100 |
| (A) Total Shareholding of Promoter & Promoter Group | | | | | | | | |
| '(1) | Indian | | | | | | | |
| (a) | Individual/HUF | 36 | 28924620 | 28924620 | 18.202 | 18.202 | 4000000 | 13.829 |
| (b) | Central Govt./ State Govt. | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| (c) | Bodies Corporate | 7 | 43435920 | 43435920 | 27.334 | 27.334 | 12701600 | 29.242 |
| (d) | Fin. Institutions / Bank | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| (e) | Any Other | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | Sub-Total of (A)(1) | 43 | 72360540 | 72360540 | 45.536 | 45.536 | 16701600 | 23.081 |
| '(2) | Foreign | | | | | | | |
| (a) | Individuals (NRIs/Foreign) | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| (b) | Bodies Corporate | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| (c) | Institutions | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| (d) | Any Other | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | Sub-Total of (A)(2) | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | Shareholding of Promoter & Promoter Group (A) = (A)(1)+(A)(2) | 43 | 72360540 | 72360540 | 45.536 | 45.536 | 16701600 | 23.081 |
| (B) Public Shareholding | | | | | | | | |
| '(1) | Institutions | | | | | | | |
| (a) | Mutual Funds / UTI | 7 | 126920 | 27920 | 0.080 | 0.080 | NA | NA |
| (b) | Fin. Institutions / Banks | 2 | 6000 | Nil | 0.004 | 0.004 | NA | NA |
| (c) | Central Govt./ State Govt. | Nil | Nil | Nil | Nil | Nil | NA | NA |
| (d) | Venture Capital | Nil | Nil | Nil | Nil | Nil | NA | NA |
| (e) | Insurance Company | Nil | Nil | Nil | Nil | Nil | NA | NA |
| (f) | Foreign Inst. Investors | 2 | 93110 | 93110 | 0.059 | 0.059 | NA | NA |
| (g) | Foreign VC Investors | 1 | 43000 | Nil | 0.027 | 0.027 | NA | NA |
| (h) | Any Other | Nil | Nil | Nil | Nil | Nil | NA | NA |
| | Sub-Total (B)(1) | 12 | 269030 | 121030 | 0.169 | 0.169 | NA | NA |
| '(2) | Non-Institutions | | | | | | | |
| (a) | Bodies Corporate | 390 | 27048618 | 27018618 | 17.022 | 17.022 | NA | NA |
| (b) | Individuals | | | | | | | |
| | i. Individual Shareholders Holding Nominal Share Upto Rs.1 Lakh | 15945 | 29821547 | 27142217 | 18.767 | 18.767 | NA | NA |
| | ii. Individual Shareholders Holding Nominal Share greater than Rs.1 Lakh | 28 | 17765443 | 17765443 | 11.18 | 11.18 | NA | NA |
| (c) | Any Other | | | | | | | |
| | NRI/OCBs | 503 | 9237080 | 8091080 | 5.813 | 5.813 | NA | NA |
| | Clearing Member/Clearing Corp | 100 | 2404562 | 2404562 | 1.513 | 1.513 | NA | NA |
| | Sub-Total (B)(2) | 16966 | 86277250 | 82421920 | 54.294 | 54.294 | NA | NA |
| | Total Public Shareholding (B) = (B)(1) + (B)(2) | 16978 | 86546280 | 82542950 | 54.464 | 54.464 | NA | NA |
| | TOTAL (A)+(B) | 17021 | 158906820 | 154903490 | 100.000 | 100.000 | 16701600 | 10.510 |
| (C). | Shares held by Custodians and against which DRs have been issued | Nil | Nil | Nil | Nil | Nil | NA | NA |
| '(1) | Promoter and Promoter group | Nil | Nil | Nil | Nil | Nil | NA | NA |
| '(2) | Public | Nil | Nil | Nil | Nil | Nil | NA | NA |
| | GRAND TOTAL (A)+(B)+(C) | 17021 | 158906820 | 154903490 | 100.000 | 100.000 | 16701600 | 10.510 |

Note : The Company has only one class of equity shares.

(j) Registrar & Share Transfer Agent :

M/s. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata – 700 001
Tel.: (033) 22357271/70/3070, 22343576 Fax: (033) 22156823 E-mail: nichetechpl@nichetechpl.com

(k) Share Transfer System:

With the view to expedite the process and disposal of share transfers and other shareholders' related matters, the Board of the Company has delegated the power of share transfer, transmission, etc., to the Registrar and Share Transfer Agent (RTA), M/s. Niche Technologies Private Limited. The RTA has fully computerized system for the share transfer activity (other than demat share) and attends to all the delegated matters, timely and appropriately. The depositories directly transfer the dematerialised shares to the beneficiaries. Pursuant to Clause 47(c) of the Listing Agreement with Stock Exchanges, the Company obtains from a Company Secretary in Practice a half-yearly certificate of compliance with the share transfer formalities and timely issuance of share certificates. The Company files a copy of the said certificate with the Stock Exchanges.

The details of shares transferred, transmitted, duplicate/replaced share certificates issued, rematerialisation and dematerialisation held during the period from 01.04.2011 to 31.03.2012 are given below :

| Particulars | No. of Request | No. of Shares |
|--|----------------|---------------|
| Request received for Transfer of Shares | 17 | 23,044 |
| Request received for Transmission of Shares | 3 | 9,000 |
| Request received for Rematerialisation of Shares | 8 | 18,009 |
| Request received for Dematerialisation of Shares | 30 | 1,25,100 |
| Request received for issuance of Duplicate/Replaced Share Certificates | 4 | 18,000 |
| Request received for issuance of Consolidated Share Certificates | NIL | NIL |
| Request received for issuance of Splitted Share Certificates | 2 | 13,005 |

(l) Dematerialisation of Shares and Liquidity :

The equity shares of your Company are being compulsorily traded in dematerialised form. The Company's shares are available for trading under both the Depository Systems in India, the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The detail of mode of holding as on 31.03.2012 is as under:

| S. No. | Mode of Holding | Holding (Nos.) | Holding (%) |
|--------|--|---------------------|-------------|
| 1. | Shares held in dematerialised form in NSDL | 13,68,08,524 | 86.09 |
| 2. | Shares held in dematerialised form in CDSL | 1,80,94,966 | 11.39 |
| 3. | Shares held in Physical Form | 40,03,330 | 2.52 |
| | Total | 15,89,06,820 | 100 |

15,49,75,487 equity shares in aggregate forming 97.53% of the Equity Share Capital of the Company have been dematerialised up to November 17, 2012. The equity shares of the Company are actively traded in Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) regularly.

(m) Designated E-mail ID for Shareholders: cs@genus.in

(n) Outstanding GDR/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:

Out of 1,10,00,000 (nos.) (restated on account of split of shares) convertible warrants which were issued on January 16, 2010 to one of the promoters of the Company, the remaining 70,00,000 warrants were converted into 70,00,000 fully paid-up equity share of Re. 1/- each at a price of Rs. 19/- per equity share (including a premium of Rs. 18/- per share) on July 15, 2011. As a result of this conversion, the number of equity shares of Re. 1/- each increased to 158906820 amounting to Rs. 15,89,06,820/-. The aforesaid equity shares rank pari passu in all respects with the existing equity shares of the Company. As of today, there is no outstanding warrant in the Company, which has impact on equity.

(o) Reconciliation of Share Capital Audit:

As stipulated by SEBI, a Reconciliation of Share Capital Audit is carried out by a qualified Chartered Accountant on quarterly basis to reconcile the total issued and listed capital and the total admitted capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The Report on Reconciliation of Share Capital Audit confirms that the total issued/paid-up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, and the status of the Register of Members.



(p) Transfer of unclaimed amount to 'Investor Education and Protection Fund':

Pursuant to Section 205C of the Companies Act, 1956 and the Investor Education and Protection Fund ("IEPF") (Awareness and Protection of Investor) Rules, 2001, during the year 2011-12, a sum of Rs. 7,26,532/- being unpaid/unclaimed dividend for the year 2003-04 has been transferred to the IEPF. Further, the Company has also transferred the unpaid/unclaimed dividend of Rs. 5,35,870/- for the year 2004-05 (Interim Dividend) in May, 2012 and Rs. 2,62,104/- for the year 2004-05 (Final Dividend) in October, 2012.

(q) Location of Plants :

| S. No. | Address |
|--------|--|
| 1 | SPL-3, RIICO Industrial Area, Sitapura, Tonk Road, Jaipur-302022 (Rajasthan), (India) |
| 2 | Plot No. 12, Sector-4, IIE, SIDCUL, Haridwar-249403 (Uttarakhand), (India) |
| 3 | SP-4-2, Keshwana, Kotputli, Dist.-Jaipur-303108, (Rajasthan), (India) |
| 4 | Plot No.9, Sector-2, SIDCUL, Haridwar-249403 (Uttarakhand), (India) |
| 5 | SPL-2A, RIICO Industrial Area, Sitapura, Tonk Road, Jaipur-302022 (Rajasthan), (India) |
| 6 | Plot No.SP-1-2317, RIICO Industrial Area, Ramchandrapura, (Sitapura Extension), Jaipur-302022 (Rajasthan), (India) |

(r) Corporate Identity Number (CIN): L51909UP1992PLC051997

(CIN of the Company has been changed from L51909DL1992PLC133383 to L51909UP1992PLC051997 due to change in the registered office of the Company).

(s) Address for Correspondence :

| | |
|---|---|
| Registrar & Share Transfer Agent | M/s. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B. R. B. Basu Road, Kolkata-700 001 Telephone Nos.: (033) 22357271/70/3070, 22343576 Fax No.: (033) 22156823 E-mail: nichetechpl@nichetechpl.com |
| Corporate Office | SPL-3, RIICO Industrial Area, Sitapura, Tonk Road, Jaipur-302022 Telephone Nos. : +91-141-2770003, 7102400/ 500 Fax Nos. : +91-141-2770319, 7102503 |
| Registered Office | 213, J.S. Arcade, Sector-18, Noida, Uttar Pradesh-201301 Telephone No. : +91-120-4210421 Fax No. : +91-120-4210421 |
| E-mail ID | cs@genus.in |
| Website | www.genus.in |

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Genus Power Infrastructures Limited

We have examined the compliance of conditions of corporate governance by Genus Power Infrastructures Limited for the financial year ended March 31, 2012 as stipulated in clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which management has conducted the affairs of the Company.

For **D. Khanna & Associates**,
Chartered Accountants
(Registration No.012917N)
Deepak Khanna
Partner
Membership No.092140
Jaipur, November 27, 2012



CERTIFICATE OF CEO/CFO IN TERMS OF CLAUSE 49V OF LISTING AGREEMENT

To,
The Board of Directors,
Genus Power Infrastructures Limited

Dear Sirs,

We, Mr. Kailash Chandra Agarwal, Joint Managing Director, Mr. Rajendra Kumar Agarwal, Executive Director & Chief Executive Officer (CEO) and Mr. N.L. Nama, AVP (Finance & Accounts) of the Company, hereby certify as under:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2012 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) There have been no:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year; and
 - (iii) instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Yours sincerely,

(Kailash Chandra Agarwal)
Joint Managing Director
Jaipur, November 27, 2012

(Rajendra Kumar Agarwal)
Executive Director & CEO

(N.L. Nama)
AVP (Finance & Accounts)

DECLARATION FROM THE CEO IN TERMS OF CLAUSE 49(1)(d)(III) OF LISTING AGREEMENT

"I, Mr. Rajendra Kumar Agarwal, Executive Director & CEO of the Company, hereby declare that the Company has obtained from all the Board members and the senior management personnel of the Company affirmation that they have complied with the code of conduct as applicable to them."

(Rajendra Kumar Agarwal)
Executive Director & CEO
Jaipur, November 27, 2012



AUDITORS' REPORT

TO THE MEMBERS OF GENUS POWER INFRASTRUCTURES LIMITED

We have audited the attached Balance Sheet of **Genus Power Infrastructures Limited** as at 31st March, 2012 and the Statement of Profit and Loss for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India, in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that :

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, the Company has kept proper books of account as required by law so far as appears from our examination of those books;
- iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- v) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **D. Khanna & Associates**
Chartered Accountants
(Registration Number: 012917N)

Deepak Khanna
Partner
Membership No. 092140

Jaipur, November 27, 2012

ANNEXURE TO THE AUDITORS' REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

- (i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has phased programme of physical verification of its fixed assets at reasonable intervals, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. During the year, the management has physically verified fixed assets and no material discrepancies were noticed on such physical verification.
- (c) The Company has not disposed off a substantial part of the fixed assets during the year and therefore the going concern status of the company is not affected.
- (ii) (a) We are informed that the physical verification of inventory has been conducted during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory. As explained to us, no material discrepancies noticed on physical verification of inventory as compared to book records.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 for the year have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register maintained under Section 301 of the Companies Act, 1956 in excess of Rs. 5,00,000/- in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- (vi) The Company has not accepted deposits from public within the meaning of the provisions of section 58A and 58AA of the Companies Act, 1956 and rules made there under and requisite compliance made.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) We have been informed that the Central Government has prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, for the products manufactured by the Company and company is maintaining the same.
- (ix) (a) According to the information and explanations given to us and on the basis of records produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, the particulars of Income Tax, Excise Duty, Service Tax, CST, Vat and Custom Duty as at 31st March, 2012, which have not been deposited on account of matters pending before appropriate authorities, are as under :-

| Name of the Statute | Nature of disputed dues | Amount (Rs. In lacs) | Forum where Disputes are Pending |
|------------------------|--------------------------------------|----------------------|---|
| Income Tax | Disallowances of Expenses | 739.37 | ITAT, CIT (Appeals) & High Court |
| Excise and Service Tax | Disallowances of Cenvat credit taken | 292.29 | Commissioner, Commissioner (Appeals), CESTAT, Addl. Commissioner & Dy. Commissioner |
| CST and VAT | Ex-parte and Disallowances | 719.01 | Hon'ble High Court, Tax Board & Dy. Commissioner (Appeals) |



- (x) The Company has no accumulated losses and has not incurred any cash losses in the current financial year or in the immediately preceding financial year
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution and banks.
- (xii) According to the information and explanations given to us, during the year the Company has not granted any loan on the basis of security by way of pledge of shares.
- (xiii) In our opinion, the Company is not a chit fund, nidhi, mutual benefit fund or a Society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly clause 4(xiv) of the Companies (Auditor's Report) Order 2003 is not applicable.
- (xv) According to the information and explanations given to us, the Company has given guarantee of Rs. 14500.00 lacs for loans taken by other from banks or financial institutions.
- (xvi) The Company has raised new term loan during the year. To the best of our knowledge, belief and according to the information and explanation given to us, the term loan was prima facie, applied by the company for the purpose for which the loans were raised.
- (xvii) According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, fund raised on short term basis have, prima facie, not been used during the year for long term investments and vice versa, other than temporary deployment pending application.
- (xviii) The Company has made preferential allotment of 70,00,000 equity shares of Re.1/- each upon conversion of warrants at a price, which is not prejudicial to the interest of the Company, to one party covered in the register maintained under Section 301 of the Companies Act, 1956, during the year.
- (xix) According to information and explanation given to us, the Company has not issued any debentures during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) On the basis of our examination and according to the information and explanation given to us, no fraud, on or by the Company, was noticed or reported during the course of our audit.

For D. Khanna & Associates
Chartered Accountants
(Registration Number: 012917N)

Deepak Khanna
Partner
Membership No. 092140

Jaipur, November 27, 2012

BALANCE SHEET AS AT MARCH 31, 2012

| Particulars | | Note No. | As at March 31, 2012 | As at March 31, 2011 |
|---|---|---|---|----------------------|
| | | | (Rs. in Lacs) | (Rs. in Lacs) |
| A | EQUITY AND LIABILITIES | | | |
| 1 | Shareholders' funds | | | |
| | (a) Share capital | 3 | 1,589.07 | 1,519.07 |
| | (b) Reserves and surplus | 4 | 42,970.62 | 35,259.21 |
| | (c) Money received against share warrants | 29 | - | 332.50 |
| | | | 44,559.69 | 37,110.78 |
| 2 | Non-current liabilities | | | |
| | (a) Long-term borrowings | 5 | 2,208.17 | 112.38 |
| | (b) Deferred tax liabilities (net) | 34 | 627.24 | 677.23 |
| | (c) Other long-term liabilities | 6 | 2,071.63 | 1,944.74 |
| | (d) Long-term provisions | 7 | 1,118.82 | 1,128.16 |
| | | | 6,025.86 | 3,862.51 |
| 3 | Current liabilities | | | |
| | (a) Short-term borrowings | 8 | 29,606.97 | 29,690.11 |
| | (b) Trade payables | 9 | 12,250.01 | 12,205.25 |
| | (c) Other current liabilities | 10 | 2,579.59 | 1,740.47 |
| | (d) Short-term provisions | 11 | 1,157.61 | 1,797.82 |
| | | | 45,594.18 | 45,433.65 |
| | TOTAL | | 96,179.73 | 86,406.94 |
| B | ASSETS | | | |
| 1 | Non-current assets | | | |
| | (a) Fixed assets | | | |
| | (i) Tangible assets | 12(i) | 8,179.56 | 7,564.69 |
| | (ii) Intangible assets | 12(ii) | 184.17 | - |
| | (iii) Capital work-in-progress | 12(iii) | 1,915.28 | 1,042.14 |
| | | | 10,279.01 | 8,606.83 |
| | (b) Non-current investments | 13 | 8,806.17 | 8,497.18 |
| | (c) Long-term loans and advances | 14 | 9,943.95 | 5,264.13 |
| | (d) Other non-current assets | 15 | 82.31 | 178.23 |
| | | | 29,111.44 | 22,546.37 |
| 2 | Current assets | | | |
| | (a) Current investments | 16 | - | 110.00 |
| | (b) Inventories | 17 | 9,019.48 | 10,719.62 |
| | (c) Trade receivables | 18 | 43,526.78 | 37,734.44 |
| | (d) Cash and cash equivalents | 19 | 2,711.49 | 3,252.06 |
| | (e) Short-term loans and advances | 20 | 7,975.60 | 9,670.32 |
| | (f) Other current assets | 21 | 3,834.94 | 2,374.13 |
| | | | 67,068.29 | 63,860.57 |
| | TOTAL | | 96,179.73 | 86,406.94 |
| C | NOTES FORMING PART OF THE FINANCIAL STATEMENTS | 1 to 52 | | |
| As per our report of even date attached | | | | |
| For D. Khanna & Associates | | For and on behalf of the Board of Directors | | |
| Chartered Accountants (Registration No.012917N) | | | | |
| Deepak Khanna Partner Membership No.092140 Place : Jaipur Date : November 27, 2012 | | Ishwar Chand Agarwal Chairman | Kailash Chandra Agarwal Joint Managing Director | |
| | | Rajendra Kumar Agarwal Executive Director & CEO | Ankit Jhanjhari Company Secretary | |



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

| Particulars | Note No. | For the year ended | For the year ended |
|---|----------|--------------------|--------------------|
| | | March 31, 2012 | March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| 1 Revenue from operations (gross) | 22 | 71,729.14 | 72,273.69 |
| Less: Excise duty | 22 | 1,181.00 | 855.45 |
| Revenue from operations (net) | | 70,548.14 | 71,418.24 |
| 2 Other income | 23 | 109.78 | 229.18 |
| 3 TOTAL REVENUE | | 70,657.92 | 71,647.42 |
| 4 Expenses | | | |
| (a) Cost of materials consumed including erection | 24 (a) | 49,072.44 | 51,440.97 |
| (b) Changes in inventories of finished goods and work-in-progress | 24 (b) | 187.95 | (883.13) |
| (c) Employee benefits expense | 25 | 4,254.43 | 4,096.55 |
| (d) Finance costs | 26 | 4,744.73 | 2,786.70 |
| (e) Depreciation and amortisation expense | 12 | 677.27 | 537.38 |
| (f) Other expenses | 27 | 7,180.51 | 6,742.79 |
| TOTAL EXPENSES | | 66,117.33 | 64,721.26 |
| 5 PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX | | 4,540.59 | 6,926.16 |
| 6 Exceptional items | | - | - |
| 7 PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX | | 4,540.59 | 6,926.16 |
| 8 Extraordinary items (net of tax) | 28 (1) | - | 631.07 |
| 9 PROFIT BEFORE TAX | | 4,540.59 | 7,557.23 |
| 10 Tax expense: | | | |
| (a) Current tax expense for current year | | 935.74 | 1,402.70 |
| (b) MAT credit up to previous year | | (2,046.69) | - |
| (c) MAT credit current year | | (908.47) | - |
| (d) Net current tax expense | | (2,019.42) | 1,402.70 |
| (e) Deferred tax | | 49.99 | (46.44) |
| (f) Total tax expenses | | (2,069.41) | 1,449.14 |
| 11 PROFIT FOR THE YEAR | | 6,610.00 | 6,108.09 |
| 12.i Earnings per share (before extraordinary items) (of Re.1/- each) (in Rs.): | 33 | | |
| (a) Basic | | 4.21 | 3.69 |
| (b) Diluted | | 4.16 | 3.45 |
| 12.ii Earnings per share (after extraordinary items) (of Re.1/- each) (in Rs.): | 33 | | |
| (a) Basic | | 4.21 | 4.11 |
| (b) Diluted | | 4.16 | 3.84 |
| 13 NOTES FORMING PART OF THE FINANCIAL STATEMENTS | 1 to 52 | | |

As per our report of even date attached

For D. Khanna & Associates

Chartered Accountants
(Registration No.012917N)

Deepak Khanna

Partner
Membership No.092140
Place : Jaipur
Date : November 27, 2012

For and on behalf of the Board of Directors

Ishwar Chand Agarwal
Chairman

Kailash Chandra Agarwal
Joint Managing Director

Rajendra Kumar Agarwal
Executive Director & CEO

Ankit Jhanjhari
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

| PARTICULARS | For the year ended March 31, 2012 | For the year ended March 31, 2011 |
|---|---|---|
| | (Rs. in Lacs) | (Rs. in Lacs) |
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit before tax as per statement of profit and loss | 4,540.59 | 6,926.16 |
| Adjusted for: | | |
| Depreciation | 677.27 | 537.38 |
| Amortisation | 92.57 | 264.54 |
| Loss/(Profit) on sale/discard of fixed assets (net) | 2.45 | 3.87 |
| Loss/(Profit) on sale/discard of investment (net) | 5.96 | - |
| Interest expenses (net) | 2,460.02 | 2,049.23 |
| Provision/(payment) for leave encashment/gratuity | (19.38) | 79.74 |
| Provision for warranty expenses | 10.04 | 976.03 |
| Operating Profit before working capital changes | 7,769.52 | 10,836.96 |
| Adjusted for: | | |
| Extraordinary items (gross) | - | 788.14 |
| Less:- Loss of fixed assets (WDV) | - | 788.14 |
| Operating Profit after exceptional items but before working capital changes | 7,769.52 | 11,625.10 |
| Adjusted for: | | |
| Trade & other receivables | (5,792.34) | (139.33) |
| Inventories | 1,700.14 | (1,608.41) |
| Increase in other current liabilities/provisions | 500.57 | 572.30 |
| Increase in liabilities (long-term) | 126.89 | 1,932.53 |
| Increase in loan and advances (long-term) | (4,679.82) | (2,254.67) |
| Increase in loan and advances (short-term) | 3,777.99 | (608.48) |
| Increase in other current assets | (1,460.81) | (2,370.24) |
| Decrease in non current Assets | 3.35 | (1.86) |
| Trade payables | 44.76 | (3,662.27) |
| Cash generated from operations | 1,990.25 | 3,484.66 |
| Direct taxes paid (including TDS) | (687.89) | (1,932.15) |
| Net cash from / (used in) operating activities | 1,302.36 | 1,552.50 |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of fixed assets | (2,367.27) | (2,092.11) |
| Purchase of investments | (308.99) | (2,925.00) |
| Sales of fixed assets | 15.37 | 3.45 |
| Sale/Deduction of investment | 104.04 | (100.00) |
| Interest received | 1,661.49 | 944.27 |
| Deferred expenses | - | - |
| Net cash from / (used in) investing activities | (895.36) | (4,169.39) |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Short term loans (Net) | (83.14) | 5,529.77 |
| Long term loans (Net) | 2,312.94 | (539.49) |
| Increase/Decrease in share capital, share premium and warrants | 997.50 | 570.00 |
| Subsidy received | 118.82 | 358.51 |
| Dividend paid (including dividend tax) | (190.27) | (221.59) |
| Interest paid | (4,103.42) | (3,009.21) |
| Net cash from / (used in) financing activities | (947.57) | 2,687.99 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | (540.57) | 71.10 |
| Opening balance of cash and cash equivalents | 3,252.06 | 3,180.96 |
| Closing balance of cash and cash equivalents | 2,711.49 | 3,252.06 |
| PARTICULARS | As at March 31, 2012 | As at March 31, 2011 |
| | (Rs. in Lacs) | (Rs. in Lacs) |
| COMPONENTS OF CASH & CASH EQUIVALENTS | | |
| Cash on hand | 17.29 | 13.20 |
| Balances with banks: | | |
| In current account | 467.56 | 878.51 |
| In fixed deposits | 2,226.64 | 2,360.35 |
| | 2,711.49 | 3,252.06 |
| Notes : | | |
| 1) Figures in bracket indicates cash outflow. | | |
| 2) Previous year figures have been regrouped wherever necessary to confirm to current years classification. | | |
| As per our report of even date For D. Khanna & Associates Chartered Accountants (Registration No.012917N) | For and on behalf of the Board of Directors | |
| Deepak Khanna Partner Membership No.092140 Place : Jaipur Date : November 27, 2012 | Ishwar Chand Agarwal Chairman | Kailash Chandra Agarwal Joint Managing Director |
| | Rajendra Kumar Agarwal Executive Director & CEO | Ankit Jhanjhari Company Secretary |



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| | |
|----------|--|
| 1 | <p>Corporate information: Genus Power Infrastructures Limited (referred to as "Genus" or the "Company") is primarily engaged in the business of smart metering solutions, distribution transformer metering system, smart street lighting system, inverters, on-line UPS, batteries and transformers and undertaking 'Engineering, Construction and Contracts' projects in Power Distribution & Transmission Sector, on turnkey basis.</p> |
| 2 | <p>Significant accounting policies:</p> <p>(I) Basis of preparation of financial statements: The financial statements have been prepared on the basis of a going concern concept and under the historical cost convention, the Company adopts accrual basis in preparation of its accounts to comply in all material aspects with applicable accounting principles in India, the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company and are in consonance with those in use in the previous year except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policies hitherto in use.</p> <p>(II) Use of estimates: The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumption to be made that affect the reported amounts of the assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognized in the period in which the results get materialized.</p> <p>(III) Revenue recognitions: Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenues can be reliably measured. In respect of sale of goods, revenue is recognized on dispatch of goods to customers. In respect of construction contracts/installation works, revenue is recognized progressively on the basis of proportionate completion method. Other income, together with related tax credits and expenditures, are accounted for on accrual basis.</p> <p>(IV) Fixed assets: Fixed assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use. Cenvat credit on capital goods is accounted for by reducing the cost of capital goods except the Company's Haridwar units.</p> <p>(V) Depreciation: Depreciation on fixed assets is provided on straight-line basis at the rate and in the manner specified in Schedule XIV of the Companies Act, 1956. Individual assets, cost of which doesn't exceed Rs.5,000/- each are depreciated in full in the year of purchase.</p> <p>(VI) Foreign currency transactions: Transactions in foreign currencies are translated to the reporting currency based on the exchange rate on the date of transaction. Foreign currency denominated receivables and liabilities outstanding as at the year-end are reported using the closing-date rates. All exchange differences arising on settlement/ reinstatement of foreign currency transactions are included in the statement of profit and loss, except in cases where they relate to the acquisition of fixed assets acquired from outside India, which are adjusted in the cost of the corresponding assets. The forward exchange contracts are not held for trading or speculation. The premium or discount arising on entering into such contracts are amortized over the life of contracts and exchange difference arising on such contracts is recognized in the statement of profit and loss.</p> <p>(VII) Investments: Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Long-term investments are stated at cost. Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary in the opinion of the management.</p> <p>(VIII) Inventories: Items of inventories are measured at lower of cost or net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other cost incurred in bringing them to their present location and condition.</p> <p>(IX) Borrowing Costs: Borrowing costs are recognized as expenses in the period in which they are incurred except for borrowings for acquisition of qualifying assets which are capitalized up to the date, the asset is ready for its intended use.</p> <p>(X) Sales and services: Sales include sale of goods, sale of scrap, service charges, installation charges, excise duty and cess but exclude sales tax and VAT.</p> <p>(XI) Deferred revenue expenditure: Deferred revenue expenditure is amortized over a period of three to five years based on their estimated life of benefits.</p> |

| | <p>(XII) Employee benefits: Company's contributions to recognized provident fund are charged to the statement of profit and loss on accrual basis. Gratuity is charged to the statement of profit and loss on the basis of actuarial valuation as at year end. Leave encashment benefits to eligible employees has been ascertained on actuarial basis and provided for. Actuarial gain/loss in respect of the same is charged to the statement of profit and loss.</p> <p>(XIII) Provision for current income tax and deferred tax: Provision for current tax is made, which is likely to arise on the results for the year at the current rate of tax in accordance with the provisions of Income Tax Act, 1961. Deferred income tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rate and laws that have been enacted or substantively enacted as on the balance sheet date. Deferred tax assets is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.</p> <p>(IVX) Provisions, contingent liabilities and contingent assets: Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in notes to the accounts. Contingent assets are neither recognized nor disclosed in the financial statement.</p> <p>(VX) Impairment of assets: The carrying amount of assets is reviewed periodically for any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Post impairment, depreciation is provided on the revised carrying value of the assets over its remaining useful life.</p> <p>(VIX) Export benefits: Export benefits under Duty Exemption Pass Book and/or Duty Draw Back Scheme received by the Company against exports made by it are recognized on accrual basis.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|-----------------------------------|-----------------------|-----------------------------------|----------------------|--|--------------|---------------|--------------|---------------|-------------|--|--|--|--|------------------------------|-------------|----------|-------------|----------|---|---------|--------|---------|--------|---------------------------------|--|--|--|--|--|-------------|----------|-------------|----------|--|--------------------|-----------------|--------------------|-----------------|-------------|----------------------|--|----------------------|--|--------------|---------------|--------------|---------------|------------------------------------|-------------|----------|-------------|----------|-------------------------------|-----------|-------|-----------|-------|--|--------------------|-----------------|--------------------|-----------------|---------------------------------------|----------------------|--|----------------------|--|-----------------------|-----------------------------------|-----------------------|-----------------------------------|----------------|--|--|--|--|---------------------------------------|------------|------|-----------|------|-----------------------------------|-----------|------|-----------|------|
| 3 | <p>Share capital</p> <p>(I) Particulars of shares:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">As at March 31, 2012</th> <th colspan="2">As at March 31, 2011</th> </tr> <tr> <th>No of Shares</th> <th>(Rs. in Lacs)</th> <th>No of Shares</th> <th>(Rs. in Lacs)</th> </tr> </thead> <tbody> <tr> <td>Authorised:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Equity shares of Re.1/- each</td> <td style="text-align: right;">181,600,000</td> <td style="text-align: right;">1,816.00</td> <td style="text-align: right;">181,600,000</td> <td style="text-align: right;">1,816.00</td> </tr> <tr> <td>Redeemable preference shares of Rs.100/- each</td> <td style="text-align: right;">504,000</td> <td style="text-align: right;">504.00</td> <td style="text-align: right;">504,000</td> <td style="text-align: right;">504.00</td> </tr> <tr> <td>Issued, subscribed and paid up:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Equity shares of Re.1/- each fully paid up</td> <td style="text-align: right;">158,906,820</td> <td style="text-align: right;">1,589.07</td> <td style="text-align: right;">151,906,820</td> <td style="text-align: right;">1,519.07</td> </tr> <tr> <td></td> <td style="text-align: right;">158,906,820</td> <td style="text-align: right;">1,589.07</td> <td style="text-align: right;">151,906,820</td> <td style="text-align: right;">1,519.07</td> </tr> </tbody> </table> <p>(II) Reconciliation of shares outstanding at the beginning and end of reporting period:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">As at March 31, 2012</th> <th colspan="2">As at March 31, 2011</th> </tr> <tr> <th>No of Shares</th> <th>(Rs. in Lacs)</th> <th>No of Shares</th> <th>(Rs. in Lacs)</th> </tr> </thead> <tbody> <tr> <td>(i) At the beginning of the period</td> <td style="text-align: right;">151,906,820</td> <td style="text-align: right;">1,519.07</td> <td style="text-align: right;">147,906,820</td> <td style="text-align: right;">1,479.07</td> </tr> <tr> <td>(ii) Issued during the Period</td> <td style="text-align: right;">7,000,000</td> <td style="text-align: right;">70.00</td> <td style="text-align: right;">4,000,000</td> <td style="text-align: right;">40.00</td> </tr> <tr> <td>(iii) Outstanding at the end of the period</td> <td style="text-align: right;">158,906,820</td> <td style="text-align: right;">1,589.07</td> <td style="text-align: right;">151,906,820</td> <td style="text-align: right;">1,519.07</td> </tr> </tbody> </table> <p>(III) Details of shareholders holding more than 5% share in the Company:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Class of shares / Name of shareholder</th> <th colspan="2">As at March 31, 2012</th> <th colspan="2">As at March 31, 2011</th> </tr> <tr> <th>Number of shares held</th> <th>% holding in that class of shares</th> <th>Number of shares held</th> <th>% holding in that class of shares</th> </tr> </thead> <tbody> <tr> <td>Equity shares:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(i) Vivekshil Dealers Private Limited</td> <td style="text-align: right;">14,514,170</td> <td style="text-align: right;">9.13</td> <td style="text-align: right;">7,514,170</td> <td style="text-align: right;">4.95</td> </tr> <tr> <td>(ii) Genus Paper Products Limited</td> <td style="text-align: right;">7,703,850</td> <td style="text-align: right;">4.85</td> <td style="text-align: right;">7,703,850</td> <td style="text-align: right;">5.07</td> </tr> </tbody> </table> <p>(IV) Terms/ Rights attached to equity shares: The Company has only one class of equity shares having par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.</p> | Particulars | As at March 31, 2012 | | As at March 31, 2011 | | No of Shares | (Rs. in Lacs) | No of Shares | (Rs. in Lacs) | Authorised: | | | | | Equity shares of Re.1/- each | 181,600,000 | 1,816.00 | 181,600,000 | 1,816.00 | Redeemable preference shares of Rs.100/- each | 504,000 | 504.00 | 504,000 | 504.00 | Issued, subscribed and paid up: | | | | | Equity shares of Re.1/- each fully paid up | 158,906,820 | 1,589.07 | 151,906,820 | 1,519.07 | | 158,906,820 | 1,589.07 | 151,906,820 | 1,519.07 | Particulars | As at March 31, 2012 | | As at March 31, 2011 | | No of Shares | (Rs. in Lacs) | No of Shares | (Rs. in Lacs) | (i) At the beginning of the period | 151,906,820 | 1,519.07 | 147,906,820 | 1,479.07 | (ii) Issued during the Period | 7,000,000 | 70.00 | 4,000,000 | 40.00 | (iii) Outstanding at the end of the period | 158,906,820 | 1,589.07 | 151,906,820 | 1,519.07 | Class of shares / Name of shareholder | As at March 31, 2012 | | As at March 31, 2011 | | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares | Equity shares: | | | | | (i) Vivekshil Dealers Private Limited | 14,514,170 | 9.13 | 7,514,170 | 4.95 | (ii) Genus Paper Products Limited | 7,703,850 | 4.85 | 7,703,850 | 5.07 |
| Particulars | As at March 31, 2012 | | As at March 31, 2011 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | No of Shares | (Rs. in Lacs) | No of Shares | (Rs. in Lacs) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Authorised: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Equity shares of Re.1/- each | 181,600,000 | 1,816.00 | 181,600,000 | 1,816.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Redeemable preference shares of Rs.100/- each | 504,000 | 504.00 | 504,000 | 504.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Issued, subscribed and paid up: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Equity shares of Re.1/- each fully paid up | 158,906,820 | 1,589.07 | 151,906,820 | 1,519.07 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 158,906,820 | 1,589.07 | 151,906,820 | 1,519.07 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Particulars | As at March 31, 2012 | | As at March 31, 2011 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | No of Shares | (Rs. in Lacs) | No of Shares | (Rs. in Lacs) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) At the beginning of the period | 151,906,820 | 1,519.07 | 147,906,820 | 1,479.07 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (ii) Issued during the Period | 7,000,000 | 70.00 | 4,000,000 | 40.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iii) Outstanding at the end of the period | 158,906,820 | 1,589.07 | 151,906,820 | 1,519.07 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Class of shares / Name of shareholder | As at March 31, 2012 | | As at March 31, 2011 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Equity shares: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) Vivekshil Dealers Private Limited | 14,514,170 | 9.13 | 7,514,170 | 4.95 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (ii) Genus Paper Products Limited | 7,703,850 | 4.85 | 7,703,850 | 5.07 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| 4 | Reserves and surplus: | | | | |
|---|--|--|--|--|--|
| | Particulars | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) | | |
| | Capital reserve | | | | |
| | (i) Opening balance | 1,010.38 | 651.87 | | |
| | (ii) Add: Additions during the year | 118.82 | 358.51 | | |
| | (iii) Closing balance | 1,129.20 | 1,010.38 | | |
| | Capital redemption reserve | 500.00 | 500.00 | | |
| | Securities premium account | | | | |
| | (i) Opening balance | 15,226.98 | 14,506.98 | | |
| | (ii) Add : Premium on shares issued during the year | 1,260.00 | 720.00 | | |
| | (iii) Closing balance | 16,486.98 | 15,226.98 | | |
| | Debenture redemption reserve | | | | |
| | (i) Opening balance | 1,000.00 | 1,000.00 | | |
| | (ii) Less: Transferred to general reserve | (1,000.00) | - | | |
| | (iii) Closing balance | - | 1,000.00 | | |
| | General reserve | | | | |
| | (i) Opening balance | 506.00 | 506.00 | | |
| | (ii) Add: Transferred from surplus in statement of profit and loss | - | - | | |
| | (iii) Add: Transfer from debenture redemption reserve | 1,000.00 | - | | |
| | (iv) Closing balance | 1,506.00 | 506.00 | | |
| | Foreign currency translation reserve | (85.13) | - | | |
| | Surplus / (Deficit) in statement of profit and loss | | | | |
| | (i) Opening balance | 17,015.85 | 11,085.49 | | |
| | (ii) Add: Profit / (Loss) for the year | 6,610.00 | 6,108.09 | | |
| | (iii) Less: Appropriations | | | | |
| | (a) Dividends proposed to be distributed to equity shareholders (Re.0.10 per share) | (158.91) | (151.91) | | |
| | (b) Tax on dividend | (25.78) | (25.82) | | |
| | (c) Dividends paid to equity shareholders related to previous year (Re.0.10 per share) | (7.00) | - | | |
| | (d) Tax on dividend | (0.59) | - | | |
| | (e) Transferred to general reserve | - | - | | |
| | (iv) Closing balance | 23,433.57 | 17,015.85 | | |
| | TOTAL | 42,970.62 | 35,259.21 | | |
| 5 | Long-term Borrowings: | | | | |
| | Particulars | Non-current portion | | Current maturities | |
| | | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) |
| | Secured: | | | | |
| | Term loans from banks [Refer Note 1 below] | 2,148.62 | 50.84 | 460.04 | 175.64 |
| | Vehicle loans [Refer Note 2 below] | 59.55 | 61.55 | 59.24 | 41.37 |
| | TOTAL | 2,208.17 | 112.38 | 519.28 | 217.01 |

Notes:

- (1). Term loans of Rs. 50.84 lacs (Previous Year: Rs. 226.48 lacs) from State Bank of Indore (Now merged with State Bank of India) are secured by equitable mortgage on all the immovable properties, hypothecation of movable plant and machinery and other fixed assets of the Haridwar Unit-I of the Company and second charge on stocks and book debts of the Company and personal guarantee of some of the Directors of the Company. External Commercial Borrowings (ECB) of Rs. 2,557.82 lacs is secured by first exclusive charge on the entire fixed assets (including Gas Meter division) of Company's Jaipur Unit-II situated at Plot No.SP-1-2317, Ramchandpura, Sitapura extension, Jaipur (Rajasthan) and Haridwar Unit-II situated at Plot No.9, Sector-2, SIDCUL, Haridwar, (Uttarakhand) including immovable properties, present and future acquired out of ECB and personal guarantees of promoter directors.
- (2). Vehicle loans from banks and non banking financial companies is secured by way of hypothecation of the vehicles financed by them under the finance scheme.
- (3). Interest on ECB will be paid at 6 month USD Libor + 280 BPS p.a. payable quarterly (Libor to be reset quarterly).
- (4). Maturity cycle, is as follows:-

| Maturity cycle | ECB (Rs. in Lacs) | Vehicle loans (Rs. in Lacs) | Term loans (Rs. in Lacs) |
|--------------------------|------------------------------|--|-------------------------------------|
| Maturity up to 31.3.2013 | 409.20 | 59.24 | 50.84 |
| Maturity up to 31.3.2014 | 572.88 | 40.23 | - |
| Maturity up to 31.3.2015 | 675.18 | 12.41 | - |
| Maturity up to 31.3.2016 | 797.94 | 6.39 | - |
| Maturity up to 31.3.2017 | 102.63 | 0.53 | - |

| | | | |
|----------|---|---|---|
| 6 | Other long-term liabilities: | | |
| | Particulars | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) |
| | Trade/security deposits received | 32.17 | 13.01 |
| | Retention from vendor | 621.84 | 514.11 |
| | Others [See Note 28(2)] | 1,417.62 | 1,417.62 |
| | TOTAL | 2,071.63 | 1,944.74 |
| 7 | Long-term provisions: | | |
| | Particulars | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) |
| | Provision for gratuity (net) [Refer Note 43] | 8.91 | 28.14 |
| | Provision for leave encashment [Refer Note 43] | 123.84 | 123.99 |
| | Provision for warranty [Refer Note 42] | 986.07 | 976.03 |
| | TOTAL | 1,118.82 | 1,128.16 |
| 8 | Short-term borrowings: | | |
| | Particulars | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) |
| | <u>Secured:</u> | | |
| | Cash credit and working capital loans from banks [Refer Note 1 below] | 20,494.48 | 19,953.12 |
| | Foreign currency loans (buyer credit and FCNR-B) from banks | 6,116.86 | 5,942.44 |
| | <u>Unsecured:</u> | | |
| | Loans from financial institution (commercial paper) | 2,500.00 | 2,000.00 |
| | Bill discounting and short-term loans | 495.63 | 1,794.55 |
| | TOTAL | 29,606.97 | 29,690.11 |

Notes:

(1). Cash credit and working capital loans of Rs. 26,611.34 Lac (Previous Year: Rs. 25,895.56 lac) under consortium arrangement from Bank of Baroda, State Bank of India, Punjab National Bank, Standard Chartered Bank, IDBI Bank Ltd, State Bank of Bikaner and Jaipur, Axis Bank, Export Import Bank of India and State Bank of Mysore are secured by way of hypothecation of stocks and book debts of the Company, both present and future, on first pari passu basis, charge on the entire unencumbered fixed assets of the Jaipur Units situated at SPL-3 and SPL-2A, Sitapura, Jaipur and collateral security by way of second charge on fixed assets of Haridwar Unit-I situated at Plot No.12, Sector 4, IIE, SIDCUL, Haridwar (Uttarakhand) and further secured by personal guarantee of some of the promoter directors and others.

| 9 | Trade payables: | | |
|----|---|--|--|
| | | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) |
| | Particulars | | |
| | Total outstanding dues of micro and small enterprises | 65.53 | 42.48 |
| | Total outstanding dues of creditors | 12,184.48 | 12,162.77 |
| | TOTAL | 12,250.01 | 12,205.25 |
| 10 | Other current liabilities: | | |
| | | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) |
| | Particulars | | |
| | Current maturities of long term debts | 519.28 | 217.01 |
| | Unpaid/unclaimed dividend | 28.34 | 33.29 |
| | Interest accrued but not due on borrowings | 43.27 | 25.18 |
| | Payables on purchase of capital assets | 179.37 | 407.78 |
| | Advance from customers | 222.34 | 54.63 |
| | Outstanding liabilities | 942.94 | 475.41 |
| | Others payables (salary and others payable) | 297.51 | 191.68 |
| | Statutory remittance (PF/ESI/Cenvat/TDS/VAT, etc.) | 346.54 | 335.49 |
| | TOTAL | 2,579.59 | 1,740.47 |
| 11 | Short-term provisions: | | |
| | | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) |
| | Particulars | | |
| | Provision for bonus | 37.18 | 60.32 |
| | Provision for proposed equity dividend | 158.91 | 151.91 |
| | Provision for tax on proposed dividend | 25.78 | 25.82 |
| | Provision for tax | 935.74 | 1,559.77 |
| | TOTAL | 1,157.61 | 1,797.82 |

| 12 Fixed assets: | | (Rs. in Lacs) | | | | | | | | |
|--------------------------------|------------------------------|-----------------|--------------|------------------------------|------------------------------|---------------|-------------|------------------------------|------------------------------|------------------------------|
| Description | Gross Block | | | Accumulated Depreciation | | | | Net Block | | |
| | Balance as at April 01, 2011 | Additions | Disposals | Balance as at March 31, 2012 | Balance as at April 01, 2011 | Additions | Disposals | Balance as at March 31, 2012 | Balance as at March 31, 2012 | Balance as at March 31, 2011 |
| (i) Tangible assets | | | | | | | | | | |
| (a) Land-leasehold | 1,026.52 | 9.66 | 0.41 | 1,035.77 | - | - | - | - | 1,035.77 | 1,026.52 |
| (b) Factory buildings | 2,826.01 | 34.84 | - | 2,860.85 | 383.34 | 94.97 | - | 478.31 | 2,382.55 | 2,442.68 |
| (c) Plant and equipment | 4,061.68 | 619.12 | - | 4,680.80 | 1,634.51 | 319.68 | - | 1,954.19 | 2,726.61 | 2,427.17 |
| (d) Furniture and fixtures | 140.81 | 23.14 | - | 163.95 | 19.13 | 11.38 | - | 30.51 | 133.44 | 121.68 |
| (e) Vehicles | 553.69 | 110.93 | 23.72 | 640.90 | 233.17 | 54.11 | 8.99 | 278.29 | 362.61 | 320.52 |
| (f) Office equipment | 91.28 | 47.34 | - | 138.62 | 10.11 | 5.84 | - | 15.95 | 122.67 | 81.17 |
| (g) Wind power projects | 703.00 | - | - | 703.00 | 211.10 | 37.14 | - | 248.24 | 454.76 | 491.90 |
| (h) Computer | 312.02 | 57.75 | 0.27 | 369.50 | 103.83 | 54.49 | - | 158.32 | 211.18 | 208.19 |
| (i) Dies and moulds | 485.64 | 388.38 | - | 874.02 | 40.77 | 83.27 | - | 124.04 | 749.98 | 444.87 |
| Total (A) | 10,200.65 | 1,291.16 | 24.40 | 11,467.41 | 2,635.96 | 660.88 | 8.99 | 3,287.85 | 8,179.56 | 7,564.69 |
| Intangible assets | | | | | | | | | | |
| (a) Computer software | - | 202.97 | 2.41 | 200.56 | - | 16.39 | - | 16.39 | 184.17 | - |
| Total (B) | - | 202.97 | 2.41 | 200.56 | - | 16.39 | - | 16.39 | 184.17 | - |
| Total (A+B) | 10,200.65 | 1,494.13 | 26.81 | 11,667.97 | 2,635.96 | 677.27 | 8.99 | 3,304.24 | 8,363.73 | 7,564.69 |
| Previous year | 9,010.80 | 1,244.69 | 54.84 | 10,200.65 | 2,101.12 | 537.38 | 2.54 | 2,635.97 | 7,564.69 | 6,909.68 |
| (iii) Capital work-in-progress | | | | | | | | | 1,915.28 | 1,042.14 |

| 13 | Non-current investments: (Long Term, Unquoted, Other than Trade and At Cost) | | |
|----|--|-------------------------|-------------------------|
| | | As at March 31, 2012 | As at March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Particulars | | |
| | Investment in equity instruments: | | |
| | (a) Subsidiary (controlled special purpose entity): | | |
| | (1) Genus Paper & Boards Limited (5,00,000 Equity Shares Re. 1/- each fully paid up) | 5.00 | - |
| | (b) Associates: | | |
| | (1) Genus Paper Products Limited (16,60,00,000 Equity Shares Re. 1/- each fully paid up) (Previous Year : 1,01,00,000 Equity Shares Re. 1/- each fully paid up) | 5,195.00 | 2,595.00 |
| | (2) Virtuous Infra Limited (38,000 Equity Shares of Rs. 10/- each fully paid up) (Previous Year : 38,000 Equity Shares of Rs. 10/- each fully paid up) | 3.80 | 3.80 |
| | (3) M.K.J. Manufacturing Private Limited (49,335 Equity Shares of Rs. 100/- each fully paid up) (Previous Year : 49,335 Equity Shares of Rs. 100/- each fully paid up) | 600.00 | 600.00 |
| | (4) Kailash Coal And Coke Company Limited (10,50,000 Equity Shares of Rs. 10/- each fully paid up) | 325.00 | - |
| | (5) Genus Electrotech Limited (2,79,500 Equity Shares of Rs. 10/- each fully paid up) (Previous Year : 2,79,500 Equity Shares of Rs. 10/- each fully paid up) | 175.00 | 175.00 |
| | (6) Virtuous Urja Limited (40,000 Equity Shares of Rs. 10/- each fully paid up) (Previous Year : 40,000 Equity Shares of Rs. 10/- each fully paid up) | 4.00 | 4.00 |
| | (c) Joint ventures: | | |
| | (1) Genus SA, Brazil (44,88,000 Ordinary Shares of \$ 0.5504 each, 13,00,000 Ordinary shares of \$ 1.000/- each and 2,89,40,000 Ordinary shares of \$ 0.1382 each) (Previous Year : 44,88,000 Ordinary Shares of \$ 0.5504 each, 13,00,000 Ordinary shares of \$ 1.000/- each and 2,89,40,000 Ordinary shares of \$ 0.1382 each) | 1,743.58 | 1,743.58 |
| | (d) Others: | | |
| | (1) Cube Fintex Private Limited (4,00,000 Equity Shares of Rs.10/- each fully paid up) (Previous Year : 4,00,000 Equity Shares of Rs.10/- each fully paid up) | 400.00 | 400.00 |
| | (2) Rajasthan Assets Management Company Private Limited (800 Equity Shares of Rs.100/- each fully paid up) (Previous Year : 800 Equity Shares of Rs.100/- each fully paid up) | 0.80 | 0.80 |
| | (3) Sheetal Impex Private Limited (60000 Equity Shares of Rs.10/- each fully paid up) | 300.00 | - |
| | (4) Maple Natural Resources Pte. Ltd. (9708 Ordinary Shares of SGD 1/- each) | 3.99 | - |
| | Other non-current investments: | | |
| | (a) Share application money: | | |
| | (1) Genus Paper Products Limited | - | 2,600.00 |
| | (2) Kailsh Coal And Coke Company Limited | - | 325.00 |
| | (3) M.K.J. Manufacturing Private Limited | 50.00 | 50.00 |
| | Less: Provision for diminution in value of investments | - | - |
| | TOTAL | 8,806.17 | 8,497.18 |

| | | | |
|--|--|---------------------------------|---------------------------------|
| 14 | Long-term loans and advances: (Unsecured and considered good) | | |
| | Particulars | As at March 31, 2012 | As at March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Security deposit | 187.82 | 131.57 |
| | Loans to body corporate and others | 8,850.58 | 4,203.23 |
| | Loans and advances to related parties [Refer Note 45] | 905.55 | 929.33 |
| | TOTAL | 9,943.95 | 5,264.13 |
| 15 | Other non-current assets: (Unsecured and considered good) | | |
| | Particulars | As at March 31, 2012 | As at March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Claim receivable-insurance | 82.31 | 85.66 |
| | Unamortised expenses | - | 92.57 |
| | TOTAL | 82.31 | 178.23 |
| 16 | Current investments: | | |
| | Particulars | As at March 31, 2012 | As at March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Investment in mutual funds (unquoted) (valued at lower of cost and net asset value): | | |
| | (i) SBI PSU Fund (Dividend) | - | 100.00 |
| | (ii) Baroda Pioneer Infrastructures Limited | - | 10.00 |
| | TOTAL (Aggregate amount of unquoted investments) | - | 110.00 |
| 17 | Inventories: (Valued and certified by the management) | | |
| | Particulars | As at March 31, 2012 | As at March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Raw materials | 6,023.67 | 7,535.86 |
| | Work-in-progress | 993.87 | 505.00 |
| | Finished goods | 2,001.94 | 2,678.76 |
| | TOTAL | 9,019.48 | 10,719.62 |
| 18 | Trade receivables: (Unsecured and considered good) | | |
| | Particulars | As at March 31, 2012 | As at March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Outstanding for a period exceeding six months from the date they are due for payments | 9,215.56 | 3,871.62 |
| | Other trade receivables | 34,311.22 | 33,862.82 |
| | TOTAL | 43,526.78 | 37,734.44 |
| 19 | Cash and bank balances: | | |
| | Particulars | As at March 31, 2012 | As at March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Cash and cash equivalents: | | |
| | (i) Balances with banks | | |
| | (a) In current accounts | 438.37 | 839.42 |
| | (b) In exchange earners foreign currency account | 0.85 | 5.80 |
| | (ii) Cash on hand | 17.29 | 13.20 |
| | Earmarked balances with Bank: | | |
| | (i) In FDR account [includes FDs of Rs.2000 lacs (Previous Year: Rs.1902 lacs) with maturity of more than 12 months] | 2,226.64 | 2,360.35 |
| (ii) In unpaid/unclaimed dividend accounts | 28.34 | 33.29 | |
| | TOTAL | 2,711.49 | 3,252.06 |

| | | | |
|-----------|---|--|--|
| 20 | Short-term loans and advances: (Unsecured and considered good) | | |
| | Particulars | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) |
| | Security deposits | 374.02 | 291.90 |
| | Advances to employees | 186.07 | 214.31 |
| | Advances to supplier | 601.38 | 580.39 |
| | Loans to body corporate and others | - | 4,168.87 |
| | Claim and other receivable | 20.09 | 63.15 |
| | Prepaid expenses | 159.89 | 51.16 |
| | Balances with government authorities: | | |
| | (i) CENVAT credit receivable | 74.99 | 99.90 |
| | (ii) VAT credit receivable | 115.78 | 1,298.71 |
| | (iii) Service Tax credit receivable | 249.17 | 1.77 |
| | (iv) MAT credit entitlement: | 2,955.15 | - |
| | (v) VAT refund receivable | 606.38 | - |
| | (vi) Advance income tax & ITDS | 1,280.98 | 1,648.92 |
| | (vii) Taxes/VAT paid under protest | 1,351.70 | 1,251.24 |
| | TOTAL | 7,975.60 | 9,670.32 |
| 21 | Other current assets: | | |
| | Particulars | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) |
| | Interest accrued | 1,005.33 | 90.68 |
| | Unbilled revenue | 2,829.61 | 2,283.45 |
| | TOTAL | 3,834.94 | 2,374.13 |
| 22 | Revenue from operations: | | |
| | Particulars | For the Year ended March 31, 2012 (Rs. in Lacs) | For the Year ended March 31, 2011 (Rs. in Lacs) |
| | Sale of goods [Refer Note (i) below] | 70,210.68 | 68,129.08 |
| | Sale of services [Refer Note (ii) below] | 1,374.58 | 4,061.36 |
| | Other operating revenues [Refer Note (iii) below] | 143.88 | 83.25 |
| | | 71,729.14 | 72,273.69 |
| | <u>Less:</u> | | |
| | Excise duty | 1,181.00 | 855.45 |
| | TOTAL | 70,548.14 | 71,418.24 |
| | Note: | | |
| | Particulars | For the Year ended March 31, 2012 (Rs. in Lacs) | For the Year ended March 31, 2011 (Rs. in Lacs) |
| | (i) Sale of goods: | | |
| | • Electronic meters, inverters, components, electronic goods and project related activities | 70,210.68 | 68,129.08 |
| | Total - Sale of goods | 70,210.68 | 68,129.08 |
| | (ii) Sale of services: | | |
| | • Development, erection and installation charges | 1,374.58 | 4,061.36 |
| | Total - Sale of services | 1,374.58 | 4,061.36 |
| | (iii) Other operating revenues: | | |
| | • Sale of scrap | 131.16 | 70.76 |
| | • Duty drawback and other export incentives | 12.72 | 12.49 |
| | Total - Other operating revenues | 143.88 | 83.25 |

| | | | |
|-----------|---|--|--|
| 23 | Other income: | | |
| | Particulars | For the Year ended March 31, 2012 | For the Year ended March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Dividend income | 0.36 | 0.38 |
| | Net gain on foreign currency transactions & translation (other than considered as finance cost) | - | 169.85 |
| | Other non-operating income [Refer Note (i) below] | 109.42 | 58.95 |
| | TOTAL | 109.78 | 229.18 |
| | (i) Other non-operating income: | | |
| | Particulars | For the Year ended March 31, 2012 | For the Year ended March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | (a) Redemption of insurance policies | 35.94 | - |
| | (b) Rental for IT infrastructures | 48.00 | - |
| | (c) Liabilities/provisions no longer required written back | 18.76 | 57.57 |
| | (d) Miscellaneous income | 6.72 | 1.38 |
| | TOTAL | 109.42 | 58.95 |
| 24 | (a) Cost of materials consumed including erection: | | |
| | Particulars | For the Year ended March 31, 2012 | For the Year ended March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Opening stock | 7,535.86 | 6,810.57 |
| | Add: Purchases, installation & other Expenses | 47,560.25 | 52,166.26 |
| | | 55,096.11 | 58,976.83 |
| | Less: Closing stock | 6,023.67 | 7,535.86 |
| | Cost of material consumed | 49,072.44 | 51,440.97 |
| | (b) Changes in inventories of finished goods and work-in-progress | | |
| | Particulars | For the Year ended March 31, 2012 | For the Year ended March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Inventories at the end of the year: | | |
| | (i) Finished goods | 2,001.94 | 2,678.76 |
| | (ii) Work-in-progress | 993.87 | 505.00 |
| | | 2,995.81 | 3,183.76 |
| | Inventories at the beginning of the year: | | |
| | (i) Finished goods | 2,678.76 | 1,300.76 |
| | (ii) Work-in-progress | 505.00 | 999.87 |
| | | 3,183.76 | 2,300.63 |
| | Net (increase)/decrease | 187.95 | (883.13) |
| 25 | Employee benefits expense: | | |
| | Particulars | For the Year ended March 31, 2012 | For the Year ended March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Salaries and wages | 3,946.05 | 3,796.17 |
| | Contributions to provident and other funds | 201.45 | 188.57 |
| | Staff welfare expenses | 106.93 | 111.81 |
| | TOTAL | 4,254.43 | 4,096.55 |

| 26 Finance cost: | | | |
|---|---------------------------|---------------------------|--|
| Particulars | For the Year ended | For the Year ended | |
| | March 31, 2012 | March 31, 2011 | |
| | (Rs. in Lacs) | (Rs. in Lacs) | |
| Interest expense on: | | | |
| (i) Term loans | 13.64 | 50.28 | |
| (ii) Working capital | 3,494.20 | 2,736.61 | |
| (iii) Trade payables, advances and others | 613.67 | 206.61 | |
| Bank charges | 928.29 | 737.47 | |
| Net (gain)/loss on foreign currency transactions | 1,356.42 | - | |
| | 6,406.22 | 3,730.97 | |
| Less: Interest Income | 1,661.49 | 944.27 | |
| TOTAL | 4,744.73 | 2,786.70 | |
| 27 Other expenses: | | | |
| Particulars | For the Year ended | For the Year ended | |
| | March 31, 2012 | March 31, 2011 | |
| | (Rs. in Lacs) | (Rs. in Lacs) | |
| Manufacturing expenses: | | | |
| (i) Power and fuel | 226.06 | 200.57 | |
| (ii) Repairs and maintenance - buildings | 75.72 | 46.20 | |
| (iii) Repairs and maintenance - machinery | 125.09 | 114.59 | |
| (iv) Repairs and maintenance - others | 75.55 | 55.04 | |
| (v) Research and development expenses | 617.18 | 570.50 | |
| (vi) Quality control and testing | 148.88 | 117.78 | |
| (vii) Misc. manufacturing expenses | 1.40 | 0.96 | |
| Administration and other Expenses: | | | |
| (i) Rent | 193.01 | 186.67 | |
| (ii) Insurance | 120.66 | 139.13 | |
| (iii) Rates and taxes | 94.24 | 118.23 | |
| (iv) Postage and communication | 98.37 | 102.40 | |
| (v) Travelling and conveyance | 655.91 | 698.35 | |
| (vi) Printing and stationery | 39.09 | 56.25 | |
| (vii) Donations and contributions | 9.42 | 13.37 | |
| (viii) Loss on fixed assets sold/scrapped/written off | 2.45 | 3.87 | |
| (ix) Legal and professional | 488.99 | 470.88 | |
| (x) Payments to auditors [Refer Notes (i) below] | 8.32 | 8.12 | |
| (xi) Demurrages, deductions and bad debts written off | 2,549.16 | 1,941.27 | |
| (xii) Amortisation of deferred revenue expenditure | 92.57 | 264.54 | |
| (xiii) Net loss on sale of investments: | | | |
| (a) From current investments | 5.96 | - | |
| (xiv) Miscellaneous expenses | 315.24 | 138.91 | |
| Marketing, selling and distribution expenses: | | | |
| (i) Freight and forwarding | 200.95 | 244.26 | |
| (ii) Brokerage, commission and discount | 36.63 | 4.94 | |
| (iii) Advertisement, publicity and business promotion | 691.31 | 269.93 | |
| (iv) Provision for warranty [Refer Note 42] | 308.35 | 976.03 | |
| TOTAL | 7,180.51 | 6,742.79 | |
| Notes: | | | |
| (i) Payments to the auditors comprises (net of service tax input credit, where applicable): | | | |

| | Particulars | For the Year ended | For the Year ended | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--------------------|--------------------|-------------|--------------------|--------------------|--|----------------|----------------|--|---------------|---------------|---|--------|--------|--------------|----------|-------------|--|----------------|----------------|--|---------------|---------------|--|-----------|-----------|---|----------|----------|--|--------|----------|
| | | March 31, 2012 | March 31, 2011 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | (Rs. in Lacs) | (Rs. in Lacs) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (a) As auditors - statutory audit | 5.00 | 5.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (b) For taxation matters | 1.25 | 1.25 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (c) For other services | 1.88 | 1.69 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (d) Reimbursement of expenses | 0.18 | 0.18 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | TOTAL | 8.31 | 8.12 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | <p>(1) Extraordinary items Rs.Nil (Previous Year: Rs. 631.07 lacs (Net of Taxation) (Gross Rs. 788.17 lacs) relates to insurance claim received from insurance company towards loss of assets in a fire/blast incidence at IOCL depot adjoining to Jaipur unit of the Company on October 29, 2009).</p> <p>(2) The compensation/adhoc relief from IOCL through RIICO aggregating to Rs.1,417.62 lacs received in July, 2010 on account of blast/ fire incident on October 29, 2009 at IOCL depot adjoining to Jaipur unit of the Company against submission of Bank Guarantee as per the order/direction of Hon'ble Rajasthan High Court ('RHC'). The RHC has passed order allowing our writ petition on April 29, 2011. The said order has further been challenged by RIICO Ltd. in writ revision petition dated May 20, 2011 and the same is under consideration of RHC. In view of above, the said adhoc relief is subject to final decision of Hon'ble Rajasthan High Court, hence it has not been charged to Revenue.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 29 | <p>Monies received against share warrants: The Company has received Rs. 997.50 Lacs (remaining balance i.e. 75% of the total conversion amount) against the conversion of remaining 70,00,000 warrants (out of total 1,10,00,000 convertible warrants issued to one of the promoters of the Company) into 70,00,000 fully paid-up equity share of Re. 1/- each at a price of Rs. 19/- per equity share including a premium of Rs.18/- per share, on July 15, 2011. The aforesaid equity shares rank pari passu in all respects including dividend with the existing equity shares of the Company.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 30 | <p>Details of prior period items (net):</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>For the Year ended</th> <th>For the Year ended</th> </tr> <tr> <th></th> <th>March 31, 2012</th> <th>March 31, 2011</th> </tr> <tr> <th></th> <th>(Rs. in Lacs)</th> <th>(Rs. in Lacs)</th> </tr> </thead> <tbody> <tr> <td>Prior period expenses</td> <td>-</td> <td>4.92</td> </tr> <tr> <td>TOTAL</td> <td>-</td> <td>4.92</td> </tr> </tbody> </table> | | | Particulars | For the Year ended | For the Year ended | | March 31, 2012 | March 31, 2011 | | (Rs. in Lacs) | (Rs. in Lacs) | Prior period expenses | - | 4.92 | TOTAL | - | 4.92 | | | | | | | | | | | | | | | |
| Particulars | For the Year ended | For the Year ended | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | March 31, 2012 | March 31, 2011 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (Rs. in Lacs) | (Rs. in Lacs) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Prior period expenses | - | 4.92 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL | - | 4.92 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 31 | <p>Contingent liabilities and commitments (to the extent not provided for):</p> <p>(i) Capital commitments:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>As at</th> <th>As at</th> </tr> <tr> <th></th> <th>March 31, 2012</th> <th>March 31, 2011</th> </tr> <tr> <th></th> <th>(Rs. in Lacs)</th> <th>(Rs. in Lacs)</th> </tr> </thead> <tbody> <tr> <td>The estimated amount of contracts remaining to be executed on capital account, to the extent not provided for (net of advances)</td> <td>323.12</td> <td>297.27</td> </tr> </tbody> </table> <p>(ii) Contingent liabilities (to the extent not provided for):</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>As at</th> <th>As at</th> </tr> <tr> <th></th> <th>March 31, 2012</th> <th>March 31, 2011</th> </tr> <tr> <th></th> <th>(Rs. in Lacs)</th> <th>(Rs. in Lacs)</th> </tr> </thead> <tbody> <tr> <td>Counter guarantees given by the Company against Bank Guarantees issued by banks and against which margin money of Rs. 1572.07 lacs (Previous Year: Rs. 1796.36 lacs) was provided in the form of FDRs.</td> <td>37,585.92</td> <td>37,554.55</td> </tr> <tr> <td>Letters of Credit outstanding at the end of the year, against which material was to be received and against which margin money of Rs. 381.35 lacs (Previous Year: Rs. 530.44 lacs) was given in the form of FDRs.</td> <td>2,128.36</td> <td>2,992.17</td> </tr> <tr> <td>Income-tax demands contested in appeals. (In view of the settled case laws, decisions of Appellate Authorities in earlier years' on similar issues in favour of company and/or on merits, the management is of the opinion that no material impact is likely to result.)</td> <td>739.37</td> <td>4,658.46</td> </tr> </tbody> </table> | | | Particulars | As at | As at | | March 31, 2012 | March 31, 2011 | | (Rs. in Lacs) | (Rs. in Lacs) | The estimated amount of contracts remaining to be executed on capital account, to the extent not provided for (net of advances) | 323.12 | 297.27 | Particulars | As at | As at | | March 31, 2012 | March 31, 2011 | | (Rs. in Lacs) | (Rs. in Lacs) | Counter guarantees given by the Company against Bank Guarantees issued by banks and against which margin money of Rs. 1572.07 lacs (Previous Year: Rs. 1796.36 lacs) was provided in the form of FDRs. | 37,585.92 | 37,554.55 | Letters of Credit outstanding at the end of the year, against which material was to be received and against which margin money of Rs. 381.35 lacs (Previous Year: Rs. 530.44 lacs) was given in the form of FDRs. | 2,128.36 | 2,992.17 | Income-tax demands contested in appeals. (In view of the settled case laws, decisions of Appellate Authorities in earlier years' on similar issues in favour of company and/or on merits, the management is of the opinion that no material impact is likely to result.) | 739.37 | 4,658.46 |
| Particulars | As at | As at | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | March 31, 2012 | March 31, 2011 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (Rs. in Lacs) | (Rs. in Lacs) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The estimated amount of contracts remaining to be executed on capital account, to the extent not provided for (net of advances) | 323.12 | 297.27 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Particulars | As at | As at | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | March 31, 2012 | March 31, 2011 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (Rs. in Lacs) | (Rs. in Lacs) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Counter guarantees given by the Company against Bank Guarantees issued by banks and against which margin money of Rs. 1572.07 lacs (Previous Year: Rs. 1796.36 lacs) was provided in the form of FDRs. | 37,585.92 | 37,554.55 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Letters of Credit outstanding at the end of the year, against which material was to be received and against which margin money of Rs. 381.35 lacs (Previous Year: Rs. 530.44 lacs) was given in the form of FDRs. | 2,128.36 | 2,992.17 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Income-tax demands contested in appeals. (In view of the settled case laws, decisions of Appellate Authorities in earlier years' on similar issues in favour of company and/or on merits, the management is of the opinion that no material impact is likely to result.) | 739.37 | 4,658.46 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | |
|-----------|--|---|---|
| | Disputed demand of excise and service tax against which Rs.126.03 lacs (Previous Year: Rs. 55.31 lacs) deposited under protest. (No provision has been made in accounts since the Company has disputed the said demands and filed the appeals with the respective appellate authorities.) | 418.32 | 399.31 |
| | Disputed demand of CST and VAT against which Rs. 137.30 lacs (Previous Year: Rs. 35.11 lacs) deposited under protest. (In opinion of the management, no provision is considered necessary for disputed demands on the grounds that there are reasonable chances of successful outcome of appeals filed with the respective appellate authorities.) | 856.31 | 446.22 |
| | Corporate Guarantees to banks / financial institutions to secure the credit facilities. | 14,500.00 | 10,200.00 |
| | Bank Guarantee facility availed from bank for associate. | 500.00 | 500.00 |
| | Claims (Net of counter claim filed by the Company) made against the Company but not acknowledged as debts as these are not tenable in the opinion of the management of the Company. | 298.10 | 208.13 |
| 32 | Managerial remuneration (excluding contribution to gratuity fund and provision for leave encashment on retirement) paid/payable to chairman and executive directors: | | |
| | Particulars | As at March 31, 2012 (Rs. in Lacs) | As at March 31, 2011 (Rs. in Lacs) |
| | Salary to chairman and executive directors | 165.90 | 175.80 |
| | Contribution to provident fund | 14.98 | 15.84 |
| | Perquisites | - | 0.15 |
| | TOTAL | 180.88 | 191.79 |
| 33 | Basic and diluted earnings per share: | | |
| | Particulars | For the Year ended March 31, 2012 | For the Year ended March 31, 2011 |
| | Basic (before extraordinary items) | | |
| | (i) Net profit attributable to equity shareholders (before extraordinary items) (Rs. in Lacs) | 6,610.00 | 5,477.02 |
| | (ii) Weighted average number of equity shares | 156,898,623 | 148,443,806 |
| | (iii) Par value per share | 1.00 | 1.00 |
| | (iv) Earnings per share - basic (Rs.) | 4.21 | 3.69 |
| | Basic (after extraordinary items) | | |
| | (i) Net profit attributable to equity shareholders (after extraordinary items) (Rs. in Lacs) | 6,610.00 | 6,108.09 |
| | (ii) Weighted average number of equity shares | 156,898,623 | 148,443,806 |
| | (iii) Par value per share | 1.00 | 1.00 |
| | (iv) Earnings per share - basic (Rs.) | 4.21 | 4.11 |
| | Diluted (before extraordinary items) | | |
| | (i) Net profit attributable to equity shareholders (before extraordinary items) (Rs. in Lacs) | 6,610.00 | 5,477.02 |
| | (ii) Weighted average number of equity shares | 156,898,623 | 148,443,806 |
| | (iii) Add: Effect of warrants, which are dilutive | 2,008,197 | 10,463,014 |
| | (iv) Weighted average number of equity shares - for diluted EPS | 158,906,820 | 158,906,820 |
| | (v) Par value per share | 1.00 | 1.00 |
| | (vi) Earnings per share - diluted (Rs.) | 4.16 | 3.45 |
| | Diluted (after extraordinary items) | | |
| | (i) Net profit attributable to equity shareholders (after extraordinary items) (Rs. in Lacs) | 6,610.00 | 6,108.09 |
| | (ii) Weighted average number of equity shares | 156,898,623 | 148,443,806 |
| | (iii) Add: Effect of warrants, which are dilutive | 2,008,197 | 10,463,014 |
| | (iv) Weighted average number of equity shares - for diluted EPS | 158,906,820 | 158,906,820 |
| | (v) Par value per share | 1.00 | 1.00 |
| | (vi) Earnings per share - Diluted (Rs.) | 4.16 | 3.84 |

| | | | | | | |
|---|---|------------------|--|----------------------|--|--------------|
| 34 | Break up of net deferred tax liabilities and assets into major components: | | | | | |
| | Particulars | | As at | | As at | |
| | | | March 31, 2012 | | March 31, 2011 | |
| | | | (Rs. in Lacs) | (Rs. in Lacs) | | |
| | Deferred tax (liability)/asset | | | | | |
| | (i) Tax effect of items constituting deferred tax liability | | | | | |
| | (a) On difference between book balance and tax balance of fixed assets | | 2,103.28 | | 2,158.63 | |
| | (b) On expenditure deferred in the books but allowable for tax purposes | | - | | 92.57 | |
| | Total | | 2,103.28 | | 2,251.20 | |
| | (ii) Tax effect of items constituting deferred tax liability | | 682.37 | | 747.80 | |
| | (iii) Tax effect of items constituting deferred tax assets | | - | | | |
| | (a) Provision for gratuity | | 8.91 | | 28.14 | |
| | (b) Provision for compensated absences | | 123.84 | | 123.99 | |
| | (c) Provision for bonus | | 37.18 | | 60.32 | |
| Total | | 169.93 | | 212.45 | | |
| (iv) Tax effect of items constituting deferred tax assets | | 55.13 | | 70.57 | | |
| Net deferred tax liabilities | | 627.24 | | 677.23 | | |
| Net deferred tax for current year | | 49.99 | | (46.44) | | |
| 35 | Value and percentage of raw material, component, stores and spares consumed: | | | | | |
| | Particulars | | For the year ended March 31, 2012 | | For the year ended March 31, 2011 | |
| | | | (Rs. in Lacs) | % age | (Rs. in Lacs) | % age |
| | Raw material and component: | | | | | |
| | (i) Imported | | 10,029.16 | 20.44% | 10,095.20 | 19.62% |
| | (ii) Indigenous | | 39,043.28 | 79.56% | 41,345.77 | 80.38% |
| TOTAL | | 49,072.44 | 100.00% | 51,440.97 | 100.00% | |
| 36 | CIF value of imports: | | | | | |
| | Particulars | | For the year ended | | For the year ended | |
| | | | March 31, 2012 | | March 31, 2011 | |
| | | | (Rs. in Lacs) | (Rs. in Lacs) | | |
| | Raw material and components | | 10,859.49 | | 11,338.38 | |
| Capital goods | | 625.40 | | 401.15 | | |
| TOTAL | | 11,484.89 | | 11,739.53 | | |
| 37 | Expenditure in foreign currency: | | | | | |
| | Particulars | | For the year ended | | For the year ended | |
| | | | March 31, 2012 | | March 31, 2011 | |
| | | | (Rs. in Lacs) | (Rs. in Lacs) | | |
| | Travelling expenses | | 43.49 | | 34.85 | |
| | Professional and consultancy | | 7.76 | | 6.08 | |
| | Exhibition and fair expenses | | 4.91 | | 5.50 | |
| | Membership and subscription | | 2.43 | | - | |
| | Sampling expenses, fees and taxes | | 21.82 | | 27.60 | |
| | Office expenses | | 3.95 | | 0.02 | |
| TOTAL | | 84.36 | | 74.05 | | |
| 38 | Earnings in foreign exchange: | | | | | |
| | Particulars | | For the year ended | | For the year ended | |
| | | | March 31, 2012 | | March 31, 2011 | |
| | | | (Rs. in Lacs) | (Rs. in Lacs) | | |
| Export sales (FOB) and services | | 483.19 | | 414.33 | | |
| TOTAL | | 483.19 | | 414.33 | | |

| | | | |
|-----------|--|---|---|
| 39 | Foreign currency exposures: | | |
| | (i) The foreign currency exposures, that has not been hedged by derivative instruments (as at March 31, 2012): | | |
| | Particulars | Foreign currency equivalent (USD) | Foreign currency equivalent (EURO) |
| | | | (Rs. in Lacs) |
| | Foreign currency non-resident borrowings (FCNR-B) | 2,500,000 | - |
| | Buyer's credit | 8,965,542 | 106,000.00 |
| | External commercial borrowings (ECB) | 5,000,000 | - |
| | Interest accrued but not due on buyer's credit | 57,993 | 1,393.81 |
| | Interest accrued but not due on ECB | 24,733 | - |
| | TOTAL | 16,548,268 | 107,393.81 |
| | (ii) The foreign currency exposures, that has been hedged by forward contract (as on March 31, 2012): | | |
| | Particulars | Foreign currency equivalent (USD) | (Rs. in Lacs) |
| | Buyer's credit | 350,000 | 179.05 |
| | Total | 350,000 | 179.05 |
| 40 | Details of research and development expenditure recognised as an expense: | | |
| | Particulars | For the year ended March 31, 2012 | For the year ended March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Materials and consumables | 48.52 | 74.74 |
| | Employee benefits expense | 483.00 | 379.80 |
| | Professional fees | 13.45 | 16.20 |
| | Travelling expenses | 16.56 | 18.80 |
| | Others | 55.65 | 80.95 |
| | TOTAL | 617.18 | 570.50 |
| 41 | Interest in joint ventures (unaudited) (pursuant to Accounting Standard 27): | | |
| | Particulars | For the year ended December 31, 2011 | For the year ended December 31, 2010 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Genus SA: | Brazil | |
| | (i) Country of incorporation | 50% | 50% |
| | (ii) % of shareholding | 683.18 | 720.55 |
| | (iii) Assets | 683.18 | 720.55 |
| | (iv) Liabilities | 0.77 | 169.48 |
| | (v) Income | 267.00 | 683.26 |
| | (vi) Expenditure | | |
| 42 | Details of provisions (pursuant to Accounting Standard 29): | | |
| | The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below: | | |
| | Particulars | As at March 31, 2012 | As at March 31, 2011 |
| | | (Rs. in Lacs) | (Rs. in Lacs) |
| | Provision for warranty: | | |
| | (i) Opening balance | 976.03 | - |
| | (ii) Add: Additions | 308.35 | 976.03 |
| | (iii) Less: Utilisation | 298.31 | - |
| | (iii) Closing balance | 986.07 | 976.03 |
| 43 | Disclosure of employee benefits (pursuant to revised Accounting Standard 15): | | |
| | (i) Defined contribution plan: | | |
| | The Company's contributions paid/payable to Provident Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognized as expense in the statement of profit and loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities. The contribution to Provident Fund and Other Funds of Rs.201.45 lacs (Previous Year: Rs.188.57 lacs) is recognised as expenses in the statement of profit and loss. | | |

| (ii) Defined benefit plan: | | | | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| <u>Gratuity:</u> The Company makes annual contributions to the 'Employee Group Gratuity-cum-Life Assurance (Cash Accumulation) Scheme' of Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on retirement, death or on leaving service in terms of the provisions of the Payment of Gratuity Act, 1972. | | | | |
| <u>Leave encashment:</u> Leave encashment is payable to eligible employees who have earned leaves, during the employment and/or on separation as per the Company's policy. Leave encashment benefits to eligible employees has been ascertained on actuarial basis and provided for. | | | | |
| (a) Reconciliation of opening and closing balances of defined benefit obligations. | | | | |
| Particulars | Gratuity | | Leave Encashment | |
| | As at March 31, 2012 | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2011 |
| | (Rs. in Lacs) | (Rs. in Lacs) | (Rs. in Lacs) | (Rs. in Lacs) |
| Opening balance | 190.04 | 125.28 | 123.99 | 66.88 |
| Current service cost | 21.97 | 60.97 | 32.36 | 82.96 |
| Interest cost | 17.81 | 13.84 | - | - |
| Benefit paid | (11.21) | (10.06) | (32.52) | (25.84) |
| Closing balance | 218.60 | 190.04 | 123.84 | 123.99 |
| (b) Reconciliation of opening and closing balances of fair value of plan assets (gratuity): | | | | |
| Particulars | As at | | As at | |
| | March 31, 2012 | March 31, 2011 | March 31, 2012 | March 31, 2011 |
| | (Rs. in Lacs) | | (Rs. in Lacs) | |
| Fair value of plan assets at beginning of year | | | 161.89 | 119.76 |
| Expected return on plan assets | | | 17.81 | 13.84 |
| Employer contribution | | | 41.20 | 38.35 |
| Benefits paid | | | (11.21) | (10.06) |
| Fair value of plan assets at end of year | | | 209.69 | 161.89 |
| (c) Reconciliation of fair value of assets and obligations: | | | | |
| Particulars | Gratuity | | Leave Encashment | |
| | As at March 31, 2012 | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2011 |
| | (Rs. in Lacs) | (Rs. in Lacs) | (Rs. in Lacs) | (Rs. in Lacs) |
| Fair value of plan assets | 209.69 | 161.89 | - | - |
| Present value of obligation | 218.60 | 190.04 | 123.84 | 123.99 |
| Amount recognised in balance sheet | 8.91 | 28.14 | 123.84 | 123.99 |
| (d) Expensed recognised during the year: | | | | |
| Particulars | Gratuity | | Leave Encashment | |
| | As at March 31, 2012 | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2011 |
| | (Rs. in Lacs) | (Rs. in Lacs) | (Rs. in Lacs) | (Rs. in Lacs) |
| Current service cost | 21.97 | 60.97 | 37.33 | 42.03 |
| Interest cost | 17.81 | 13.84 | 9.92 | 5.35 |
| Actuarial (gain)/loss | (17.81) | (13.84) | (14.89) | 35.57 |
| Expenses recognised | 21.97 | 60.97 | 32.36 | 82.96 |
| (e) Assumption: | | | | |
| Particulars | Gratuity | | Leave Encashment | |
| | As at March 31, 2012 | As at March 31, 2011 | As at March 31, 2012 | As at March 31, 2011 |
| | (Rs. in Lacs) | (Rs. in Lacs) | (Rs. in Lacs) | (Rs. in Lacs) |
| Discount rate (per annum) | 8.00% | 8.00% | 8.00% | 8.00% |
| Rate of salary escalation (per annum) | 7.00% | 8.00% | 7.00% | 8.00% |
| Estimated rate of return on plan assets (per annum) | 9.25% | 9.25% | NA | NA |
| (f) Investment details: | | | | |
| Gratuity amount invested in cash accumulation scheme of LIC of India. | | | | |

| | | | | | | | |
|--|---|--|----------------------|-------------------------|--|-------------------|--------------------------|
| 44 | Amount Transferred to the Investor Education and Protection Fund ('IEPF'): Pursuant to Section 205C of the Companies Act, 1956 and the Investor Education and Protection Fund ('IEPF') (Awareness and Protection of Investor) Rules, 2001, during the year 2011-12, a sum of Rs.7,26,532/- being unpaid/unclaimed dividend for the year 2003-04 has been transferred to the IEPF. Further, the Company has also transferred the unpaid/unclaimed dividend of Rs.5,35,870/- for the year 2004-05 (Interim Dividend) in May, 2012 and Rs.2,62,104/- for the year 2004-05 (Final Dividend) in October, 2012. | | | | | | |
| 45 | Related party disclosures: As per Accounting Standard 18, the disclosures of transactions with the related parties are given below: List of related parties where control exists and related parties with whom transactions have taken place and relationships: | | | | | | |
| | Description of relationship | Names of related parties | | | | | |
| | Subsidiaries | Genus Paper & Boards Limited | | | | | |
| | Associates | (1). M.K.J. Manufacturing Pvt. Ltd. (2). Genus Paper Products Limited (3). Kailash Coal And Coke Company Limited (4). Virtuous Urja Limited (5). Genus Electrotech Limited (6). Genus Consortium (7). Virtuous Infra Limited | | | | | |
| | Key management personnel (KMP) | (1). Mr. Ishwar Chand Agarwal (2). Mr. Kailash Chandra Agarwal (3). Mr. Rajendra Kumar Agarwal (4). Mr. Jitendra Kumar Agarwal | | | | | |
| | Relatives of KMP | (1). Amit Agarwal (HUF) (2). Rajendra Kumar Agarwal (HUF) | | | | | |
| | Joint venture | Genus SA, Brazil | | | | | |
| | Company in which KMP / Relatives of KMP can exercise significant influence | (1). Genus Innovation Limited (2). J C Textiles Pvt Ltd (3). Hi-Print Electromack Pvt. Limited (4). Genus International Commodities Ltd. (5). Vivekshil Dealers Pvt. Limited (6). Maple Natural Resources Pte. Ltd. | | | | | |
| Details of related party transactions during the year ended March 31, 2012 and balances outstanding as at March | | | | | | | (Rs. in Lacs) |
| Particulars | Associates | KMP | Joint Venture | Relatives of KMP | Entitles in which KMP / relatives of KMP have significant influence | Subsidiary | Total |
| Purchases | 1,216.14 (1,098.20) | - | 64.11 | - | 246.85 (102.36) | - | 1,527.09 (1,200.56) |
| Sales | - | - | (111.02) | - | 3,963.63 (2,008.63) | - | 3,963.63 (2,120.01) |
| Purchase of fixed assets | - | - | - | - | 1.23 | - | 1.23 |
| Rendering of services | 21.88 (12.02) | - | - | - | - (29.10) | - | 21.88 (41.12) |
| Guarantees and collaterals | 500.00 (500.00) | - | - | - | 14,500.00 (10,200.00) | - | 15,000.00 (10,700.00) |
| Interest received | - | - | - | - | 213.02 | - | 213.02 |
| Interest paid | - | - | - | - | 18.65 | - | 18.65 |
| Remuneration paid | - | 165.90 (175.80) | - | - | - | - | 165.90 (175.80) |
| Lease rent/premises rent paid | - | 1.80 (1.80) | - | 9.60 (9.60) | 34.80 (34.80) | - | 46.20 (46.20) |
| Investment | (2,925.00) | - | - | - | 3.99 | 5.00 | 8.99 (2,925.00) |
| Balances outstanding at the end of the year | | | | | | | |
| Trade receivables | - (1,025.00) | - | 200.31 (240.18) | - | 1,014.02 (2,253.42) | - | 1,214.33 (3,518.60) |
| Loans and advances | 904.55 (929.33) | - (0.57) | - | - | - | - | 904.55 (929.90) |
| Trade and others payables | 303.87 (230.59) | - (1.02) | - | - | - | - | 303.87 (231.61) |
| Note: Figures in bracket relates to the previous year | | | | | | | |



| | | | | | | | |
|---|---|---|---|---|--|---|---|
| 46 | The Company is primarily engaged in the business of 'Metering Solutions', 'Engineering, Construction and Contracts in Power Distribution & Transmission Sector on turnkey basis', 'UPS' and 'Inverter', which relate to one segment only i.e. Power segment. | | | | | | |
| 47 | <p>Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:</p> <p>A sum of Rs. 65.53 lacs is payable to Micro and Small Enterprises as at March 31, 2012 (Previous Year: Rs. 42.49 lacs). There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at March 31, 2012. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.</p> | | | | | | |
| 48 | <p>Scheme of Arrangement:</p> <p>The Board of Directors of the Company at its meeting unanimously approved the Scheme of Arrangement, inter alia involving merger of Genus Paper Products Limited ("GPPL") into Genus Power Infrastructures Limited ("GPL" or "the Company") and demerger of 'non power infrastructure undertaking/business' of the Company into a 100% subsidiary of the Company ("the Resulting Company") w.e.f. April 01, 2011, subject to the requisite approval of the members and/or creditors of the Companies as may be directed by the jurisdictional High Court(s) and subject to all such requisite approvals from the relevant regulatory authorities and also sanction of the jurisdictional High Court(s).</p> | | | | | | |
| 49 | <p>Shifting of the registered office from NCT of Delhi to the State of Uttar Pradesh:</p> <p>Looking to the expanding operations of the Company and for administrative convenience, the members have approved the resolution in the last Annual General Meeting for shifting of the registered office of the Company from NCT of Delhi to the State of Uttar Pradesh. The Company Law Board (CLB) has also approved the shifting of the registered office of the Company. Pursuant to the approvals, the registered office of the Company has shifted to 213, J.S. Arcade, Sector-18, Noida, Uttar Pradesh-201301 w.e.f. August 09, 2012.</p> | | | | | | |
| 50 | <p>Consolidation of accounts in respect of Subsidiary Company:</p> <p>The Company does not have any material non-listed Indian subsidiary. The Company has only one subsidiary company namely 'Genus Paper & Board Limited', which has not started any commercial activity as yet. This subsidiary is incorporated exclusively for/under the Scheme of Arrangement as discussed above. Under the said Scheme, Genus Paper Products Limited is proposed to be merged into the Company and the 'non-power infrastructure undertaking/business' of the Company shall be demerged into a 100% subsidiary of the Company namely 'Genus Paper & Board Limited', w.e.f. April 01, 2011 immediately after the requisite approvals of the appropriate authorities are received. The control on subsidiary company is intended to be temporary because as on the date of implementation of the said demerger scheme, the status of subsidiary company will be changed from subsidiary to an independent company.</p> | | | | | | |
| 51 | <p>Capitalization of exchange differences:</p> <p>The Ministry of Corporate Affairs (MCA) has issued the amendment dated December 29, 2011 to Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates," to allow companies deferral / capitalization of exchange differences arising on long-term long-term foreign currency loan, amounting to Rs.85.12 lacs (Reflected as 'Foreign Currency Translation Reserve' in 'Reserve & Surplus') (Previous year: Rs.Nil).</p> | | | | | | |
| 52 | <p>The revised Schedule VI becomes effective from April 01, 2011 for the preparation of Financial Statements. Hence, current year financial statements are prepared in accordance with the revised Schedule VI. Since the previous year presentation was as per Old Schedule VI, the previous year figures have been regrouped/reclassified, wherever necessary to correspond with the current year's classification/disclosure.</p> | | | | | | |
| <p>As per our report of even date attached</p> <p>For D. Khanna & Associates Chartered Accountants (Registration Number: 012917N)</p> <p>For and on behalf of the Board of Directors</p> <table border="0"> <tr> <td>Deepak Khanna Partner Membership No.092140 Place : Jaipur Date : November 27, 2012</td> <td>Ishwar Chand Agarwal Chairman</td> <td>Kailash Chandra Agarwal Joint Managing Director</td> </tr> <tr> <td></td> <td>Rajendra Kumar Agarwal Executive Director & CEO</td> <td>Ankit Jhanjhari Company Secretary</td> </tr> </table> | | Deepak Khanna Partner Membership No.092140 Place : Jaipur Date : November 27, 2012 | Ishwar Chand Agarwal Chairman | Kailash Chandra Agarwal Joint Managing Director | | Rajendra Kumar Agarwal Executive Director & CEO | Ankit Jhanjhari Company Secretary |
| Deepak Khanna Partner Membership No.092140 Place : Jaipur Date : November 27, 2012 | Ishwar Chand Agarwal Chairman | Kailash Chandra Agarwal Joint Managing Director | | | | | |
| | Rajendra Kumar Agarwal Executive Director & CEO | Ankit Jhanjhari Company Secretary | | | | | |



SUBSIDIARY COMPANY

Genus Paper & Boards Limited

Directors:

Mr. Ishwar Chand Agarwal
Mr. Kailash Chandra Agarwal
Mr. Himanshu Aggarwal

Auditor:

M/s Pradeep Hari & Co.,
Chartered Accountants

Regd. Office:

Kanth Road,
Village Aghwanpur,
Moradabad -244 001 (U.P.)

Banker:

Punjab National Bank

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present their First Annual Report on the business and operations and the Audited Accounts of your Company for the financial year ended March 31, 2012.

OPERATIONS AND ACTIVITIES

The Company has been incorporated on January 11, 2012 and obtained Certificate of Commencement on January 13, 2012. During the period under review, your company has not commenced any commercial activity.

DIVIDEND

As there is no profit during the period under review, the Directors do not recommend any dividend for the financial year ended March 31, 2012.

SCHEME OF ARRANGEMENT

Your Company is a wholly owned subsidiary of Genus Power Infrastructures Limited and has entered into a composite Scheme of Arrangement, inter alia, provides for merger of Genus Paper Products Limited into Genus Power Infrastructures Limited and demerger of Non-power Infrastructure undertaking of Genus Power Infrastructures Limited into your company. The said scheme has been filed before Hon'ble High Court of Judicatures at Allahabad.

DIRECTORS

Shri Ishwar Chand Agarwal, Shri Kailash Chandra Agarwal and Shri Himanshu Aggarwal were appointed as first directors of the Company as per the Articles of Association of the Company. All the first directors retire at the 1st Annual General Meeting. The Company has received notices in writing individually from the said Directors proposing their candidature for being appointed/re-appointed as Director of the Company liable to retire by rotation. The matter is included in the Notice for the ensuing Annual General Meeting. There is no change in the constitution of Board of Directors during the year.

AUDITORS & AUDITORS' REPORT

M/s Pradeep Hari & Co., Chartered Accountants who were the first auditor of the Company, appointed by the Board of Directors, hold the office till the conclusion of the first Annual General Meeting. M/s Pradeep Hari & Co., Chartered Accountants, being eligible, offers himself for reappointment as Auditor. You are requested to re-appoint Auditor to hold the office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting. The Auditor' Report to the Members together with Accounts for the year ended March 31, 2012 and notes thereon are attached, which are self explanatory and therefore do not call for any further comments or explanation.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your Directors confirm:-

- i. that in the preparation of Annual Accounts, the applicable Accounting Standards have been followed and there has been no material departure;
- ii. that the selected Accounting Policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended March 31, 2012 and of Profit & Loss Account of the Company for the year ended on that date ;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. that the Annual Accounts have been prepared on a going concern basis.



PERSONNEL

None of the Employees of the Company is covered under Section 217(2A) of the Companies Act, 1956, hence, the statement required under The Companies (Particulars of Employees) Rules, 1975 is not annexed hereto.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The additional information required under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is reproduced hereunder :

- I. **CONSERVATION OF ENERGY** : NIL, since the company has not started any operation during the year under review.
- II. **TECHNOLOGY ABSORPTION**
 - 1. Research and Development (R & D) : NIL.
 - 2. Technology Absorption, Adaptation and Innovation : The Company has not imported any technology.
- III. **FOREIGN EXCHANGE EARNINGS AND OUTGO** : During the year under review, your Company has neither incurred any expenditure in foreign exchange nor earned any foreign exchange.

DEPOSITS

Your Company has not invited or accepted any fixed deposits during the year as per the provisions of Section 58-A of the Companies Act, 1956, and the rules made there under and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation towards all the stakeholders for their continued support and confidence.

Registered Office:
Village Aghwanpur, Kanth Road
Moradabad- 244001
Moradabad, August 10, 2012

By Order of the Board of Directors
For **Genus Paper & Boards Limited**

Director

Director

AUDITOR'S REPORT

To,
The Members,
Genus Paper & Boards Limited

We have audited the attached Balance Sheet of Genus Paper & Boards Limited as at 31st March, 2012. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above we report that:
 - A. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - B. In our opinion proper books of account as required by law have been kept by the Company, so far as appears from our examinations of the books;
 - C. The Balance Sheet dealt with by this report is in agreement with the books of account;
 - D. On the basis of the written representations received from the Directors of the Company as at 31st March, 2012 and taken on record by the Board of Directors, we report that, no Director is disqualified from being appointed as a Director of the Company under Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

- E. In our opinion and based on the information given to us, the said Balance Sheet is in compliance with the Accounting Standards issued under Section 211(3C) of the Companies Act, 1956.
- F. Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
- (I) in the case of the Balance Sheet, of the state of the Company's affairs as on 31st March, 2012; and
- (II) in the case of Cash Flow Statement, of the cash flows for the period ended on that date.

For **Pradeep Hari & Co.**
Chartered Accountants
Firm Regn. No. 006542C
Pradeep Kapoor
Proprietor
Membership No. 74491

Moradabad, 10th August, 2012

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph (1) of our report of even date

1. (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a policy of physically verifying its fixed assets periodically, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. During the year, fixed assets have been physically verified by the management and no material discrepancies were noticed on such verification.
- (c) None of the fixed assets have been sold/disposed off during the year. Hence, the going concern concept has not been affected.
2. (a) This clause is not applicable to the Company as the Company is having no inventories.
- (b) This clause is not applicable to the Company as the Company is having no inventories.
- (c) This clause is not applicable to the Company as the Company is having no inventories.
3. The Company has not taken unsecured loan, from companies, firms, or other parties listed in the Register maintained under section 301 of the Companies act, 1956 and/or from the Companies under the same management as defined under section 370 (1B) of the Act.
4. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, no major weaknesses have been noticed.
5. In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register in pursuance of Section 301 of the Companies Act, 1956 have been entered. Clause (v-b) of paragraph 4 of the Order is not applicable.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. The Central Government has not prescribed maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 in respect of the activities undertaken by the Company.
9. According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it have been regularly deposited with the appropriate authorities. There were no arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.
10. Accumulated losses of the Company at the end of the financial year are less than fifty percent of its net worth and it has not incurred cash losses in the current year or in the immediately preceding financial year.
11. According to the information and explanations given to us and based on our observations during the audit, the Company has not defaulted in repayment of dues to any financial institution or bank.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit funds/nidhi/mutual benefits funds/society do not apply to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures or other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.



15. According to the information and explanations given to us and the representations made by the management, the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. According to the information and explanations given to us the term loan has been applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment. No funds have been raised on long-term basis.
18. The Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures.
20. The Company has not raised any money through a public issue during the year.
21. According to the information and explanations given to us by the Company and based on our audit, no fraud on or by the Company has been noticed or reported by the Company during the year.

For Pradeep Hari & Co.
 Chartered Accountants
 Firm Regn. No. 006542C
Pradeep Kapoor
 Proprietor
 Membership No. 74491

Moradabad, 10th August, 2012

| BALANCE SHEET AS AT MARCH 31, 2012 | | |
|---|--------------------------------|------------------|
| | Note | Amount in Rs. |
| EQUITY AND LIABILITIES: | | |
| Shareholders' fund | | |
| Share capital | 1 | 500000.00 |
| Current liabilities | | |
| Short term provisions | 2 | 58990.00 |
| | Total | 558990.00 |
| ASSETS: | | |
| Non-Current Assets | | |
| Other non-current assets | 3 | 58990.00 |
| Current Assets | | |
| Cash and cash equivalents | 4 | 500000.00 |
| | Total | 558990.00 |
| Significant accounting policies | | |
| Notes on financial statement | 1 to 5 | |
| As per our report attached | | |
| For Pradeep Hari & Co. | | |
| | For and on behalf of the Board | |
| Chartered Accountants | | |
| Firm Regn. No. 006542C | | |
| Pradeep Kapoor | | |
| Proprietor | Director | Director |
| Membership No. 074491 | | |
| Moradabad, August 10, 2012 | | |

CASH FLOW STATEMENT FOR PERIOD ENDED MARCH 31, 2012

| | (Amount in Rupees) | |
|--|--------------------|-----------|
| A. Cash flow from operating activities | | |
| a. Net profit before tax and exceptional item | 0.00 | |
| Adjustments for: | | |
| Depreciation | 0.00 | |
| Preliminary expenses written off | 0.00 | |
| b. Operating profit before working capital changes | 0.00 | |
| Adjustments for: | | |
| Trade and other receivables | 0.00 | |
| Inventories | 0.00 | |
| Other current assets | 0.00 | |
| Current liabilities and provisions | 0.00 | |
| c. Cash generated from operations | 0.00 | |
| Direct Taxes paid (net) | 0.00 | |
| Net cash from operating activities | | 0.00 |
| B. Cash flow from investing activities | | |
| Purchase/Sale of fixed assets | 0.00 | |
| Sale (Purchase) of investments (Net) | 0.00 | |
| Net Cash from / (used in) investing activities | | 0.00 |
| C. Cash flows from financing activities | | |
| Proceeds from issuance of share capital | 500000.00 | |
| Proceeds from borrowings | 0.00 | |
| Net cash from / (used in) financing activities | | 500000.00 |
| D. Net increase/(decrease) in cash and cash equipment | | 500000.00 |
| Cash and cash equivalent at beginning of the year | | 0.00 |
| Cash and cash equivalent at end of the year | | 500000.00 |
| (Cash and cash equivalent represent cash and bank balances) | | 500000.00 |

Note: Previous year figures have not been given as this the first year of the Company.

As per our report attached

For Pradeep Hari & Co.

For and on behalf of the Board

Chartered Accountants

Firm Regn. No. 006542C

Pradeep Kapoor

Proprietor

Membership No. 074491

Moradabad, August 10, 2012

Director

Director

Significant accounting policies and notes of Financial Statement

| PARTICULARS | As at March 31, 2012 | | |
|---|---------------------------|---------------|------------------|
| NOTE-1: SHARE CAPITAL | (Amount in Rupees) | | |
| AUTHORIZED | | | |
| 1000000 (Previous year: Nil) equity shares of Re.1/- each | | | 1000000.00 |
| ISSUED, SUBSCRIBED AND PAID UP | | | |
| 500000 (Previous year: Nil) equity shares of Re.1/- each | | | 500000.00 |
| | | | 500000.00 |
| The details of Shareholders holding more than 5 % shares : | | | |
| Name of Shareholder | As at March 31, 2012 | | |
| | Face Value per Share | No. of Shares | % held |
| Genus Power Infrastructures Limited (Inclusive of shares held by its nominees) | Re. 1/- each | 500000 | 100.00 |
| | | 500000 | 100.00 |



| NOTE-2: SHORT TERM PROVISIONS | | (Amount in Rupees) |
|--|-----------|---------------------------|
| PROVISIONS | | |
| For other provisions | | 58990.00 |
| | | 58990.00 |
| NOTE-3: OTHER NON CURRENT ASSETS | | |
| Miscellaneous expenditure (to the extent not written off or adjusted) | | |
| - Preliminary expenses | 48990.00 | |
| - Pre-operative expenses | 10000.00 | 58990.00 |
| | | 58990.00 |
| NOTE-4: CASH AND CASH EQUIVALENTS | | |
| Cash in hand | | |
| With banks | | |
| - in current account | 50000.00 | |
| - in term deposit | 450000.00 | 500000.00 |
| | | 500000.00 |

NOTE-5: SIGNIFICANT ACCOUNTING POLICIES:

1. ACCOUNTING CONCEPTS:

The Company follows mercantile system of accounting. The accounts are prepared on historical cost basis and as going concern. Accounting policies are consistent with generally accepted accounting principles.

2. FIXED ASSETS AND DEPRECIATION:

Fixed assets are stated at cost less accumulated depreciation. The cost of assets is inclusive of freight, duties, taxes and other expenses directly related to such assets. Depreciation has been calculated on Straight Line Method at the rates given in schedules XIV to Companies Act, 1956. Depreciation on additions during the year has been provided on pro rata basis with reference to the date of addition.

3. INVESTMENTS:

Investments are stated at cost.

4. PROVISION, CONTINGENT LIABILITIES:

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes.

NOTES FORMING PART OF ACCOUNTS

1. As this is first year of the Company hence no previous year figures have been given.

2. Contingent Liabilities : NIL

3. • Earning in Foreign Currency : Nil

• Expenditure in Foreign Currency : Nil

4. Related party Disclosures:

(i) Related party disclosures, as required by Accounting Standard 18, "Related Party Disclosures", issued by the Institute of Chartered Accountants of India are given below:

a. Key Management Personnel and their relatives : • I. C. Agarwal
• Kailash Chand Agarwal
• Himanshu Aggarwal

b. Enterprises controlled by Key Management personnel and Individual having significant Influence : NIL

c. Holding Company : Genus Power Infrastructures Ltd.

(ii) Detail of transaction with related parties : NIL

5. As the company has not commenced production so far. Hence no quantitative details have been given.

As per our report attached

For **Pradeep Hari & Co.**

Chartered Accountants

Firm Regn. No. 006542C

Pradeep Kapoor

Proprietor

Membership No. 074491

Moradabad, August 10, 2012

For and on behalf of the Board

Director

Director

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 20th Annual General Meeting of the Members of Genus Power Infrastructures Limited will be held on Saturday, the 29th day of December, 2012 at 11.00 A.M. at Crescent Banquets, Kirtimaan Plaza, Sector - 30, Noida - 201001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2012, Statement of Profit and Loss for the year ended on that date and Reports of Directors and Auditors thereon.
2. To declare a dividend on equity shares for the financial year ended March 31, 2012.
3. To appoint a Director in place of Mr. Rajendra Kumar Agarwal, who retires from office by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Bhairon Singh Solanki, who retires from office by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. D. Khanna & Associates, Chartered Accountants, the retiring auditors, as Statutory Auditors to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, the following resolution with or without modification(s), if any, as a Special Resolution: -
"RESOLVED THAT existing Article 75 (a) of the Articles of Association of the Company, be and is hereby substituted by new Article 75 (a) as under: -

"75 (a). The present directors of the Company are as follows:

1. Mr. Ishwar Chand Agarwal
2. Mr. Kailash Chandra Agarwal
3. Mr. Rajendra Kumar Agarwal
4. Mr. Jitendra Kumar Agarwal
5. Mr. Rameshwar Pareek
6. Mr. Bhairon Singh Solanki
7. Mr. Dharam Chand Agarwal
8. Mr. Indraj Mal Bhutoria
9. Mr. Udit Agarwal
10. Mr. Naveen Gupta"

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including filing the necessary forms/documents with the concerned Registrar of Companies."

7. To consider and if thought fit, to pass, the following resolution with or without modification(s), if any, as a Special Resolution: -

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, Articles of Association of the Company be and are hereby altered by inserting the following two new Articles i.e. 66A and 94(iii) after existing Article 66 and Article 94(ii), respectively:

"66A. Participation in General Meeting(s) of the Members through electronic mode:

- (1) In pursuance of and subject to compliance with the provisions of applicable rules, regulations, circulars, guidelines, notifications etc. as may be specified by the Ministry of Corporate Affairs (MCA), Security & Exchange Board of India (SEBI), Stock Exchanges or any other competent authority and the provisions, if any, which may be laid down in this regard by any amendment in or re-enactment of the Companies Act, 1956 or by the rules, regulations, etc. made there under or the Listing Agreement with Stock Exchanges, from time to time and notwithstanding anything contrary contained in the Articles of Association, the Company may allow the member(s) of the Company to participate in the General Meeting(s) of the members through any type of electronic mode like video conferencing etc. and the members so participating shall be deemed to be present in such General Meeting(s) for the purposes of the recording of minutes and all other relevant provisions in this regard.
- (2) For conducting the aforesaid meetings, the Company shall follow the procedure specified under the applicable laws for the time being in force and the rules, regulations, circulars, notifications, guidelines etc. issued/ to be issued from time to time by Ministry of Corporate Affairs (MCA), Security & Exchange Board of India (SEBI), Stock Exchanges or any other competent authority(ies) in this regard."

“94 (iii). Participation in Meeting(s) of Directors through electronic mode:

- (1) In pursuance of and subject to compliance with the applicable rules, regulations, circulars, guidelines, notifications etc. as may be specified by the Ministry of Corporate Affairs (MCA), Security & Exchange Board of India (SEBI), Stock Exchanges or any other competent authority and the provisions, if any, which may be laid down in this regard by any amendment in or re-enactment of the Companies Act, 1956 or by the rules, regulations, etc. made there under or the Listing Agreement with Stock Exchanges, from time to time and notwithstanding anything contrary contained in the Articles of Association of the Company, the Director(s) may participate in the meeting(s) of the Board or any Committee of the Directors through any type of electronic mode like video conferencing etc. and the Director(s) so participating shall be deemed to be present in the meeting for the purposes of the quorum, voting, recording of minutes and all other relevant provisions in this regard.
- (2) For conducting aforesaid meetings, the Company shall follow the procedure specified under the applicable laws for the time being in force, and the rules, regulations, circulars, notifications, guidelines etc. issued/ to be issued from time to time by Ministry of Corporate Affairs (MCA), Security & Exchange Board of India (SEBI), Stock Exchanges or any other competent authority(ies) in this regard.

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including filing the necessary forms/documents with the concerned Registrar of Companies.”

8. To consider and if thought fit, to pass, the following resolution with or without modification(s), if any, as a Special Resolution: -

“RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, Articles of Association of the Company be and are hereby altered by replacement of Article 71(i) with the following Article 71(i):

“71(i). Voting Modes (including e-voting):

Subject to the provisions of these articles, votes may be given personally or by proxy (who need not be a member of the Company). A corporation being a member may vote by representative duly authorised in accordance with section 187 of the Act, and such representative shall be entitled to speak, demand a poll, vote, appoint a proxy and in all other respects exercise the right of a member and shall be reckoned as a member for all purposes. A member may vote by conventional means, or by means of the Internet or other electronic means (if option given by the Company). The Board of Directors shall be entitled to approve, from time to time, such procedures as it may deem appropriate to govern voting by means of the Internet or other electronic means in order to ensure the integrity of the vote.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including filing the necessary forms/documents with the concerned Registrar of Companies.”

9. To consider and if thought fit, to pass, the following resolution with or without modification(s), if any, as a Special Resolution: -

“RESOLVED THAT existing Article 135(1) of the Articles of Association of the Company, be and is hereby substituted by new Article 135(1) as under: -

“135(1). Service of documents or notices on members by the Company: - A document or notice may be served or given by the company to any member either personally or by electronic mode or by sending it by post to him to his registered address, or (if he has no registered address in India) to the address, if any, supplied by him to the company for serving documents or notices on him or by email or by any other mode as specified by the Act or by circulars, guidelines, notifications etc. by the Ministry of Corporate Affairs (MCA), Security & Exchange Board of India (SEBI), Stock Exchanges or any other competent authority from time to time.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including filing the necessary forms/documents with the concerned Registrar of Companies.”

10. To consider and if thought fit, to pass, the following resolution with or without modification(s), if any, as a Special Resolution: -

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and other applicable provisions, if any, of the Companies Act, 1956 (“Act”) (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule XIII of the said Act, and the Articles of Association of the Company, the Company hereby approves increased remuneration payable to Mr. Ishwar Chand Agarwal, Executive Director & Chairman of the Company for his remaining tenure with effect from 01.04.2012 to 23.01.2014, as under: -

- a) Salary: Rs.18,00,000/- per month.
- b) Allowances & Perquisites:

- i) Furnished residential accommodation with water, gas, electricity, maintenance, sweeper, gardener, watchman and personal attendant or House Rent Allowance in lieu thereof.
- ii) Medical benefits for self and family: Reimbursement of all expenses actually incurred in India and/or abroad.
- iii) Leave Travel Concession for self and wife once a year.
- iv) Fees of clubs subject to a maximum of two clubs.
- v) Premium on Personal accident insurance policy as per the Company's rules.
- vi) Premium on Medical Insurance for self and wife as per the Company's rules.
- vii) Company's contribution towards provident fund as per rules of the Company but not exceeding 12% of salary.
- viii) Gratuity not exceeding one half month's salary for each completed year of service.
- ix) Encashment of leave as per rules of the Company.
- x) Free use of car with driver for official use.
- xi) Free telephone facility at residence including mobile phone for official use."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to vary, modify or alter the different components of the aforesaid remuneration as may be agreed to by the Board of Directors and Mr. Ishwar Chand Agarwal."

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including filing the necessary forms/documents with the concerned Registrar of Companies."

11. To consider and if thought fit, to pass, the following resolution with or without modification(s), if any, as a Special Resolution: -

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and other applicable provisions, if any, of the Companies Act, 1956 ("Act") (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule XIII of the said Act, and the Articles of Association of the Company, the Company hereby approves increased remuneration payable to Mr. Rajendra Kumar Agarwal, Executive Director & CEO of the Company for his remaining tenure with effect from 01.04.2012 to 31.12.2013, as under: -

a) Salary: Rs.11,00,000/- per month.

b) Allowances & Perquisites:

- i) Furnished residential accommodation with water, gas, electricity, maintenance, sweeper, gardener, watchman and personal attendant or House Rent Allowance in lieu thereof.
- ii) Medical benefits for self and family: Reimbursement of all expenses actually incurred in India and/or abroad.
- iii) Leave Travel Concession for self, wife and minor children once a year.
- iv) Fees of clubs subject to a maximum of two clubs.
- v) Premium on Personal accident insurance policy as per the Company's rules.
- vi) Premium on Medical Insurance for self and family as per the Company's rules.
- vii) Company's contribution towards provident fund as per rules of the Company but not exceeding 12% of salary.
- viii) Gratuity not exceeding one half month's salary for each completed year of service.
- ix) Encashment of leave as per rules of the Company.
- x) Free use of car with driver for official use.
- xi) Free telephone facility at residence including mobile phone for official use."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to vary, modify or alter the different components of the aforesaid remuneration as may be agreed to by the Board of Directors and Mr. Rajendra Kumar Agarwal."

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including filing the necessary forms/documents with the concerned Registrar of Companies."

12. To consider and if thought fit, to pass, the following resolution with or without modification(s), if any, as a Special Resolution: -

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and other applicable provisions, if any, of the Companies Act, 1956 ("Act") (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule XIII of the said Act, and the Articles of Association of the Company, the Company hereby approves increased remuneration payable to Mr. Jitendra Kumar Agarwal, Executive Director of the Company for his remaining tenure with effect from 01.04.2012 to 19.09.2014, as under: -

- a) Salary: Rs.11,00,000/- per month.
- b) Allowances & Perquisites:
 - i) Furnished residential accommodation with water, gas, electricity, maintenance, sweeper, gardener, watchman and personal attendant or House Rent Allowance in lieu thereof.
 - ii) Medical benefits for self and family: Reimbursement of all expenses actually incurred in India and/or abroad.
 - iii) Leave Travel Concession for self, wife and minor children once a year.
 - iv) Fees of clubs subject to a maximum of two clubs.
 - v) Premium on Personal accident insurance policy as per the Company's rules.
 - vi) Premium on Medical Insurance for self and family as per the Company's rules.
 - vii) Company's contribution towards provident fund as per rules of the Company but not exceeding 12% of salary.
 - viii) Gratuity not exceeding one half month's salary for each completed year of service.
 - ix) Encashment of leave as per rules of the Company.
 - x) Free use of car with driver for official use.
 - xi) Free telephone facility at residence including mobile phone for official use."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to vary, modify or alter the different components of the aforesaid remuneration as may be agreed to by the Board of Directors and Mr. Jitendra Kumar Agarwal."

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including filing the necessary forms/documents with the concerned Registrar of Companies."

13. To consider and if thought fit, to pass, the following resolution with or without modification(s), if any, as Special Resolution: -

"RESOLVED that pursuant to the provisions of Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company, as they may deem fit from time to time, for commencement of all or any of the businesses covered in sub-clauses 2, 3, 30 and 41 under the Clause III-(C) of the Memorandum of Association of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including filing the necessary documents and declarations with the concerned Registrar of Companies and Stock Exchanges."

14. To consider and if thought fit, to pass, the following resolution with or without modification(s), if any, as Special Resolution: -

"RESOLVED THAT pursuant to the provisions of Section 81(1A), and all other applicable provisions, if any, of the Companies Act 1956, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as "SEBI ESOP Guidelines") and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval and consent of the Company be and is hereby accorded respectively to the 'Employee Stock Option Scheme 2012' (hereinafter referred to as the "ESOS - 2012" / "Scheme") and to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time up to 79,45,000 stock options to the permanent employees, existing and future, including any Whole-time Director of the Company, as may be decided solely by the Board under the Scheme exercisable into equal number of Equity Shares of face value of Re.1/- each fully paid up, in one or more tranches, on such terms and in such manner as the Board may decide in accordance with the provisions of the law or guidelines issued by the relevant authorities."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot Equity Shares to the eligible employees and Directors of the Company upon exercise of options from time to time in accordance with ESOS - 2012 or allot shares to the Trust set-up for the administration of ESOS - 2012 and that it may also envisage for providing any financial assistance to the Trust to enable the Trust to acquire, purchase or subscribe Equity Shares of the Company for the implementation of the Scheme."

"RESOLVED FURTHER THAT the number of options that may be granted to any Non-Executive Director (including any Independent Director) in any financial year and in aggregate under the ESOS - 2012 shall not exceed 1% of the paid up capital of the Company."

"RESOLVED FURTHER THAT the Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company."

“RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Equity Shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 79,45,000 Equity Shares shall be deemed to be increased to the extent of such additional equity shares issued.”

“RESOLVED FURTHER THAT in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Scheme shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Re.1 per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the shares allotted under the ESOS - 2012 on the Stock Exchanges, where the shares of the Company are listed and to do all such acts, deeds and things and to execute all such deeds, documents, instruments and writings as it may at its sole and absolute discretion deem necessary or expedient and to settle any questions, difficulty or doubt that may arise in this behalf.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to make modifications, changes, variations, alterations or revisions in ESOS - 2012 as it may deem fit, from time to time at its sole and absolute discretion in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company, SEBI ESOP Guidelines and any other applicable laws.”

By Order of the Board of Directors

Ankit Jhanjhari

Company Secretary

Registered Office:

213, J.S. Arcade, Sector-18, Noida, Uttar Pradesh-201301

Jaipur, November 27, 2012

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF MEETING. PROXIES SUBMITTED ON BEHALF OF CORPORATE MEMBERS, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/AUTHORITY, AS APPLICABLE.
2. Corporate members desiring to send their authorised representatives to attend the Meeting are requested to send to the Company in advance or before the time of meeting, a certified true copy of the Board Resolution authorising their representatives to attend and vote on their behalf at such Meeting.
3. The explanatory statement for special business is annexed herewith.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, December 22, 2012 to Saturday, December 29, 2012 (both days inclusive)**.
5. The dividend on Equity Shares, if declared at the ensuing Annual General Meeting, will be credited/ dispatched between January 01, 2013 and January 15, 2013 as under: -
 - To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be available to the Company by NSDL and CDSL as at the end of business day hours on **Friday, December 21, 2012**; or
 - To all those members holding shares in physical form whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company / Registrar upto the close of business hours on **Friday, December 21, 2012**.
6. Members are requested to send their queries, if any, atleast ten days in advance of the meeting so that the information can be made available at the meeting.
7. The Company had applied to the Registrar of Companies (RoC) for extension of the period for holding the Annual General Meeting (AGM) of the Company for the Financial Year 2011-12 by three months beyond September 30, 2012, viz. upto December 31, 2012 and the RoC, vide its letter dated 06.09.2012 has approved extension of time for holding of AGM of the Company by three months i.e. by December 31, 2012.

8. Members, who hold shares in physical form, are requested to notify immediately any change in their addresses to the Company/Registrars and Share Transfer Agents of the Company along with their Banks/Electronic Clearing Services (ECS) details as follows:
 - Name of the Sole/First/Joint Holder
 - Folio Number
 - Bank Account Number maintained in India with 9-digit code number, type of account, complete name and address of the Bank.
9. Members, who have dematerialised their shares, are requested to inform change of address and change in Bank Account details, to their respective Depository Participants, directly. Members may note that their Bank Account details as furnished by their Depositories to the Company will be printed on their Dividend Warrant(s) and the Company will not entertain any direct request from such shareholder for change in such Bank details.
10. Members are requested to address all correspondence regarding Transfer and Transmission of Share(s), Duplicate Share Certificate(s), Duplicate Dividend Warrant(s), Dividend Mandate, Dematerialisation and Rematerialisation of Share(s), etc. to the Company's Registrar & Share Transfer Agent, M/s. Niche Technologies Private Limited, D-511, Bagree Market, 71, B. R. B. Basu Road, Kolkata – 700 001.
11. The Company has designated a separate e-mail ID of the grievance redressal division / compliance officer named “**cs@genus.in**” exclusively for the purpose of registering complaints by investors.
12. Pursuant to provisions of Section 205A and 205C of the Companies Act, 1956, all unpaid/unclaimed dividends for the financial year 2003-04 and 2004-05 (Interim & Final), which remained unpaid or unclaimed for a period of seven years, have been transferred to the Investor Education and Protection Fund (IEPF) established under Section 205C of the Companies Act, 1956. Shareholders, who have not yet encashed their dividend warrants issued for the years 2005-06, 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11 are requested to encash their dividend warrants, immediately. It may be noted that no claims thereafter shall lie against the Company or the IEPF in respect of any dividend amounts which were unclaimed and unpaid for a period of seven years from the respective date of declaration.
13. Members are requested to inform the Company/Share Transfer Registrar (in case of shares in physical form) / Depository Participant (in case of shares in dematerialised form), their bank account number with name of Bank and its branch so that the warrant(s) sent to them in future include details of their account number and designated bank branch, to avoid fraudulent encashment of the dividend warrants.
14. Members / proxies are requested to bring their Attendance Slip duly filled in along with their copy of Annual Report to the meeting as printed copies of the Report will not be distributed at the meeting.
15. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. All documents referred to in the accompanying Notice & Explanatory Statement will be available for inspection by the members at the registered office of the Company between 11.00 a.m. and 1.00 p.m. on all working days upto the date of the AGM.
17. In terms of Articles 89 to 93 of the Articles of Association of the Company, at the ensuing Annual General Meeting, Mr. Rajendra Kumar Agarwal and Mr. Bhairon Singh Solanki, Directors shall retire by rotation and being eligible, offer themselves for re-appointment. Mr. Ishwar Chand Agarwal, Mr. Kailash Chandra Agarwal, Mr. Rajendra Kumar Agarwal and Mr. Jitendra Kumar Agarwal, are related to each other in terms of the definition of 'relative' given under the Companies Act, 1956. As required under Clause 49 of the Listing Agreement, the additional information of Directors retiring by rotation and eligible for appointment/re-appointment are given in the Corporate Governance Report.
18. The Ministry of Corporate Affairs (“MCA”) has taken a “Green initiative in the Corporate Governance” by allowing paperless compliances by the Companies vide circular dated April 21, 2011 and April 29, 2011 stating that a Company can send documents through e-mail to its members. With a view to support the initiative and spirit of the MCA, we are sending the Notice of the General Meetings, Financial Statements, Directors Reports or all other communications required to be sent to the members of the Company, to the e-mail address given by the members to their Depositories.

We request the members, who have not registered their e-mail address, so far, to register their e-mail addresses with their concerned Depository Participants or the Company at “**cs@genus.in**” or Registrar, M/s. Niche Technologies Private Limited at “**genus@nichetechpl.com**”.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No.6:

In order to facilitate our customers to know the present directors of the Company from the Articles of Association, the Article 75(a) is proposed to be altered as contained in the Resolution at Item No.6. This alteration can be made with consent of the members by way of special resolution under section 31 of Companies Act, 1956. Thus, approval of the members is sought for the said special resolution. The directors have recommended the said resolution.

None of the Directors is in any manner interested in the said resolution.

Item No.7:

As a part of Green Initiative in the Corporate Governance, Ministry of Corporate Affairs, Government of India has allowed the use of electronic modes in convening and conducting the Board and Shareholders meetings of the Companies. Currently, the Articles of Association of your Company does not have a provision for participation of shareholders and Directors in the General and Board Meetings, respectively through Electronic Mode. As holding General and Board Meetings vide electronic mode will facilitate greater and effective participation of Directors and Shareholders in their respective meetings, the Board of Directors of your Company have recommended the resolution at Item No.7 to approve an amendment to the provisions of the Articles of Association to incorporate new provisions in respect of participation of shareholders and Directors in the General and Board Meetings, respectively through Electronic Mode like video conferencing and other modern electronic systems in conducting General and Board Meetings of the Company. This alteration can be made with consent of the members by way of special resolution under section 31 of Companies Act, 1956. Thus, approval of the members is sought for the said special resolution.

None of the Directors is in any manner interested in the said resolution.

Item No.8:

The Articles of Association of your Company currently provide that vote by a member may be given either personally or by proxy. A corporation being a member may vote by representative duly authorised in accordance with section 187 of the Companies Act, 1956. Approval of the members is sought to approve an amendment to the voting rights provisions of the Articles of Association to permit electronic voting, if option given by the Company. The Board of Directors of your Company has approved this amendment, which is intended to confirm that our shareholders may participate in meetings by using new means of voting, to the fullest extent permitted by the Indian Laws. This alteration can be made with consent of the members by way of special resolution under section 31 of Companies Act, 1956. Thus, approval of the members is sought for the said special resolution.

None of the Directors is in any manner interested in the said resolution.

Item No.9:

As a part of Green Initiative in the Corporate Governance, Ministry of Corporate Affairs, Government of India came up through various circulars, thereby allowing service of documents to shareholders through Electronic Mode. Currently, the Articles of Association of your Company does not provide a clear provision for service of documents to shareholders through Electronic Mode. Approval of shareholders is sought to approve an amendment to the provisions of the Articles of Association to incorporate new provisions in respect of mode of service of documents to shareholders through Electronic Mode i.e. e-mail, subject to compliance of the procedure prescribed by the Act or by circulars, guidelines, notifications etc. by the Ministry of Corporate Affairs (MCA), Security & Exchange Board of India (SEBI), Stock Exchanges or any other competent authority from time to time and to ensure compliance with the Corporate Governance norms. This alteration can be made with consent of the members by way of special resolution under section 31 of Companies Act, 1956. The directors have recommended the said resolution.

None of the Directors is in any manner interested in the said resolution.

Item No.10:

Mr. Ishwar Chand Agarwal, currently designated as Executive Director & Chairman in terms of his appointment, shall hold office till January 23, 2014. Taking into consideration the contribution and performance of Mr. Ishwar Chand Agarwal towards the growth of the Company, the Remuneration Committee at its meeting held on April 07, 2012 and the Board of Directors at its meeting held on April 24, 2012 has revised the remuneration of Mr. Ishwar Chand Agarwal, subject to approval of the shareholders in their general meeting. Thus, approval of the members is sought for the proposed resolution. The broad particulars of revised remuneration payable to Mr. Ishwar Chand Agarwal are given in the proposed resolution no.10. The resolution at item 10 may also be treated as an abstract of terms of agreement between the Company and Mr. Ishwar Chand Agarwal, pursuant to section 302 of the Companies Act, 1956.

None of the Directors of the Company except Mr. Kailash Chandra Agarwal, Mr. Rajendra Kumar Agarwal, Mr. Jitendra Kumar Agarwal and Mr. Ishwar Chand Agarwal himself, is concerned or interested in the said Resolution.



Item No.11:

Mr. Rajendra Kumar Agarwal, currently designated as Executive Director & CEO in terms of his appointment, shall hold office till December 31, 2013. Considering the increase in work and responsibilities of Mr. Rajendra Kumar Agarwal and the success made by the Company under his unwavering guidance, the Remuneration Committee at its meeting held on April 07, 2012 and the Board of Directors at its meeting held on April 24, 2012 has revised the remuneration of Mr. Rajendra Kumar Agarwal, subject to approval of the shareholders in their general meeting. Thus, approval of the members is sought for the proposed resolution. The broad terms of revised remuneration payable to Mr. Rajendra Kumar Agarwal are given in the proposed resolution no.11. The resolution at item 11 may also be treated as an abstract of terms of agreement between the Company and Mr. Ishwar Chand Agarwal, pursuant to section 302 of the Companies Act, 1956.

None of the Directors of the Company except Mr. Ishwar Chand Agarwal, Mr. Kailash Chandra Agarwal, Mr. Jitendra Kumar Agarwal and Mr. Rajendra Kumar Agarwal himself, is concerned or interested in the said Resolution.

Item No.12:

Mr. Jitendra Kumar Agarwal, currently designated as Executive Director in terms of his appointment, shall hold office till September 19, 2014. After taking into consideration his contribution to the growth of the Company and his immense knowledge and expertise in marketing strategies, the Remuneration Committee at its meeting held on April 07, 2012 and the Board of Directors at its meeting held on April 24, 2012 has revised the remuneration of Mr. Jitendra Kumar Agarwal, subject to approval of shareholders in their general meeting. Thus, approval of the members is sought for the proposed resolution. The broad terms of revised remuneration payable to Mr. Jitendra Kumar Agarwal are given in the proposed resolution no.12. The resolution at item 12 may also be treated as an abstract of terms of agreement between the Company and Mr. Jitendra Kumar Agarwal, pursuant to section 302 of the Companies Act, 1956.

None of the Directors of the Company except Mr. Ishwar Chand Agarwal, Mr. Kailash Chandra Agarwal, Mr. Rajendra Kumar Agarwal and Mr. Jitendra Kumar Agarwal himself, is concerned or interested in the said Resolution.

Item No.13:

The Company has been pursuing various options for organic and in-organic growth. To capitalize the budding opportunities in the field of development of infrastructures facilities for industrial parks, food parks, warehousing, cold storage business or other industrial purpose, the Board of Directors of the Company proposes to commence all or any of the businesses covered in sub-clauses 2, 3, 30 and 41 under the Clause III-(C) of the Memorandum of Association of the Company. Pursuant to Section 149(2A) of the Companies Act, 1956, approval of the members is necessary by way of Special Resolution before commencement of any new business. Accordingly, approval of the members is sought for commencement and carrying out of all or any of the new business activities as mentioned in sub-clauses 2, 3, 30 and 41, stated under Item No.13. The Board recommended the said Special Resolution.

None of the Directors of Company is in any manner concerned or interested in the said Resolution except to the extent of their shareholding, if any in the Company.

Item No.14:

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in ownership of the company through stock option schemes. The objective of the ESOS - 2012 is to provide an incentive to attract and retain the best talents by way of rewarding their performance and motivate them to contribute to the corporate growth and profitability.

Based on the recommendation of the Compensation committee, the Board of Directors at its meeting held on November 27, 2012, approved the 'Employee Stock Option Scheme 2012' ("ESOS-2012").

The main features of the employee stock option schemes are as under:

1. Total number of options to be granted:

79,45,000 options exercisable into 79,45,000 Equity Shares in the Company of face value of Re. 1 each fully paid-up, would be available for grant to the eligible employees of the Company under ESOS - 2012, in one or more tranches. If an option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Stock Options pool and shall become available for future Grants, subject to compliance with all Applicable Laws. The Board is authorized to re-grant such lapsed / cancelled options as per the provisions of ESOS - 2012. SEBI ESOP Guidelines require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, stock split/ consolidation and others, a fair and reasonable adjustment needs to be made to the options granted. Accordingly, if any additional Equity Shares are issued by the Company to the option grantees for making such fair and reasonable adjustment, the above ceiling shares as stated above from time to time shall be deemed to be increased to the extent of such additional equity shares issued.

2. Identification of classes of employees entitled to participate in the Employee Stock Option Scheme(s):

Following classes of employees are entitled to participate in the ESOS - 2012:

- (a) Permanent employees of the Company working in India or out of India;

(b) Directors of the Company whether a Whole-time Director or not.

However, following persons shall not be eligible to participate in ESOS - 2012

(i) an employee who is a Promoter or belongs to the Promoter Group within the meaning of SEBI ESOP Guidelines; or

(ii) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.

3. Transferability of Employee Stock Options:

The stock options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of an employee stock option holder while in employment, the right to exercise all the options granted to him till such date shall be transferred to his legal heirs or nominees.

4. Requirements of vesting and period of vesting:

The Options granted shall vest so long as the employee continues to be in the employment of the Company. The Compensation Committee may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which options granted would vest subject to the minimum and maximum vesting period as specified below:

- Options granted under ESOS - 2012 would vest within not less than 1 year and not more than 6 years from the date of grant of such options. The first vesting shall start at the first anniversary of the grant.

5. Exercise price or pricing formula:

Exercise price in respect of the stock options granted shall be up to 50% discount from the market price of the Equity Shares of the Company as on date of grant.

6. Exercise period and the process of Exercise:

The vested options shall be eligible for exercise on and from the date of vesting. The vested stock options need to be exercised within 3 years from the date of vesting of the options. The vested options shall be exercisable by the Employees by a written application to the Company/ Compensation Committee or any Trust formed in this behalf expressing his/ her desire to exercise the options in such manner and on such format as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period. In case of cashless system of exercise of vested options, the Compensation Committee shall be entitled to specify such procedures and/or mechanisms for the shares issued on exercise of the options as may be necessary and the same shall be binding on the option grantees.

7. Appraisal process for determining the eligibility of employees under ESOS - 2012:

The options shall be granted to the employees as per the performance appraisal system of the Company.

8. Maximum number of options to be issued per employee and in aggregate:

The number of options that may be granted to any specific employee under the Scheme shall not exceed the number of shares equivalent to 1% of the Paid-up Share Capital of the Company per grant and in aggregate.

9. Disclosure and Accounting Policies:

The Company shall comply with the disclosure and the accounting policies prescribed under the SEBI ESOP Guidelines.

10. Method of option valuation:

To calculate the employee compensation cost, the Company shall use the 'Intrinsic Value' method for valuation of the options granted. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on EPS of the company shall also be disclosed in the Directors' report.

As the ESOS - 2012 provides for issue of shares to be offered to persons other than existing shareholders of the Company, consent of the members is being sought pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 and as per clause 6 of the SEBI ESOP Guidelines.

None of the Directors of the Company are in any way, concerned or interested in the resolution, except to the extent of the shares that may be offered to them under the ESOS - 2012.

By Order of the Board of Directors
Ankit Jhanjhari
Company Secretary

Registered Office:

213, J.S. Arcade, Sector-18, Noida, Uttar Pradesh-201301
Jaipur, November 27, 2012

Mission

Delight customers with high quality, innovative products and services in electrical and electronic fields

Values

Exceed customer satisfaction in terms of quality, price, on-time delivery and support

Always adhere to proper and high business ethics

Provide a place and nurturing environment for our employees to flourish and grow

Develop long term relationships with the vendors/business partners to support our goals

Commitments

To Customers - To achieve international standards of excellence in all aspects of energy and diversified business with focus on our end users

To Investors - To maximise creation of wealth, value and satisfaction for the stakeholders

To Employees - To foster a culture of participation and innovation for employee growth and contribution

To Community - To help enrich the quality of life of the community and preserve ecological balance and heritage through strong environment principles

GENUS POWER INFRASTRUCTURES LIMITED
Registered Office: 213, J.S. Arcade, Sector-18, Noida-201301 (U.P.)



PROXY FORM

DP ID No. Regd. Folio No./Client ID No.
DP Name : No. of Shares held :
I/We of
..... being member(s) of Genus
Power Infrastructures Limited, hereby appoint
of or failing
him of
as my/our proxy to vote for me/us and on my/our behalf at the 20th Annual General Meeting of the Company to be held on Saturday, the
29th day of December, 2012 at 11.00 a.m. at Crescent Banquets, Kirtimaan Plaza, Sector-30, Noida-201001 and at any adjournment thereof.

Signature _____

Affix Revenue
Stamp of
One Rupee
(Please sign
across the
stamp)

Signed this _____ day of _____, 2012.

Notes:

1. The proxy need not be a member.
2. The proxy form signed across revenue stamp should reach the Company's registered office at least 48 hours before the scheduled time of meeting.
3. Proxy cannot speak at the meeting or vote on a show of hands.
4. The Company reserves the right to ask for identification of the proxy.

GENUS POWER INFRASTRUCTURES LIMITED
Registered Office: 213, J.S. Arcade, Sector-18, Noida-201301 (U.P.)



ATTENDANCE SLIP

DP ID No. Regd. Folio No./Client ID No.
DP Name : No. of Shares held :

I certify that I am a registered member / proxy for the registered member of the Company. I hereby record my presence at the 20th Annual General Meeting of the Company held at Crescent Banquets, Kirtimaan Plaza, Sector-30, Noida-201001 on Saturday, the 29th day of December, 2012 at 11.00 a.m. and at any adjournment thereof.

Member's Name _____

Complete Address _____

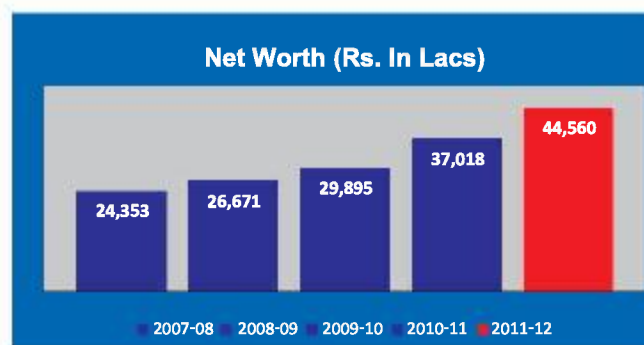
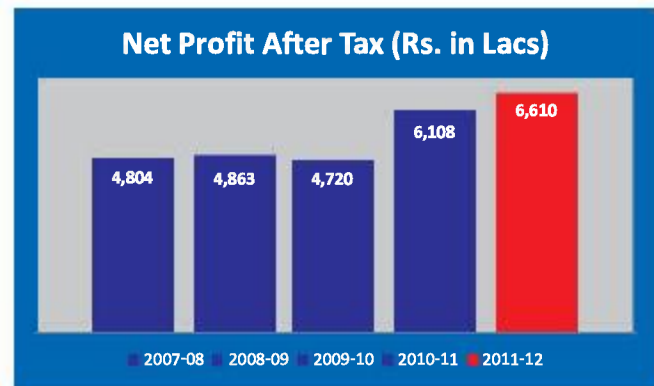
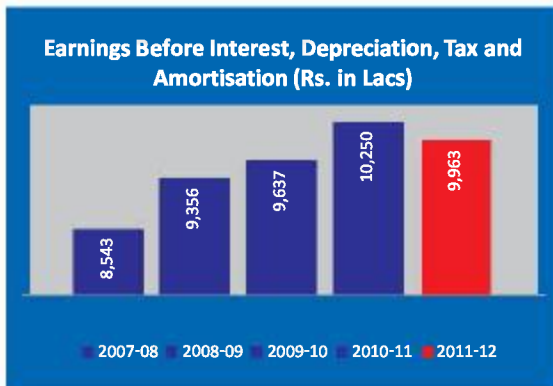
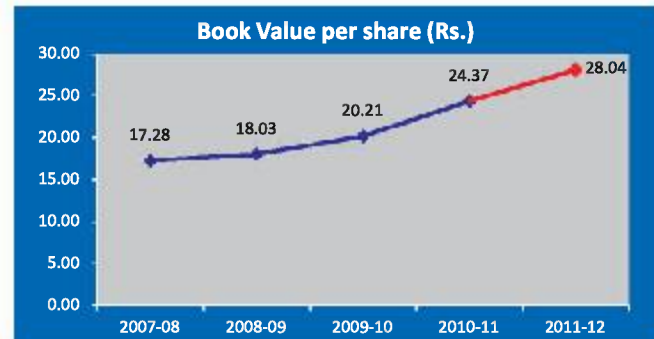
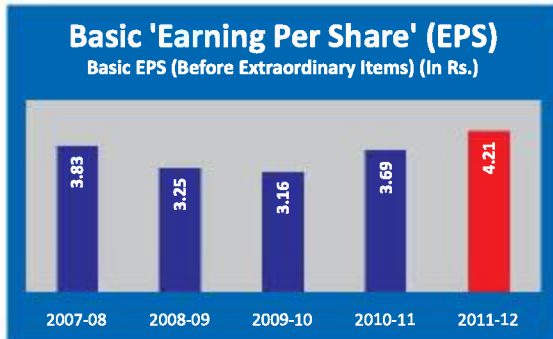
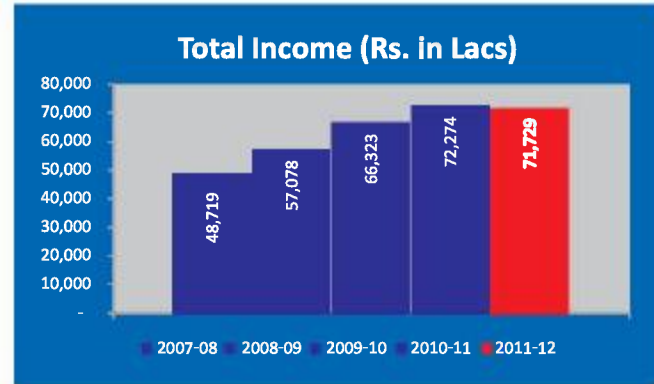
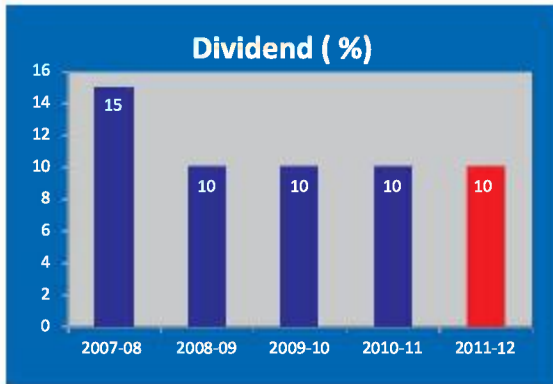
Proxy's Name _____

Notes:

1. Equity Shareholders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after fixing their signature on it.
2. Incomplete attendance slips shall not be accepted.
3. The Equity Shareholders / proxies are advised to bring original photo identity proof for verification.

Signature of Member / Proxy

Financial highlights





Products / Services

Smart Metering Solutions

(1 Phase, 3 Phase, Pre-Payment Meters)

Recommended for
Malls/Builders / Residential
& Commercial Apartments /
Electricity Boards/Utilities



AMI Solutions

Recommended for
Utilities/Electricity
Boards / Industries
(for complete
energy auditing &
metering of distribution transformers)



Reference Meter

Achook™

Recommended for
Utilities & Electricity Boards
(for verifying the accuracy of
installed meters)



Smart Street Light Management System

Recommended for Municipal
Corporations/Electricity Boards/
Utilities/Builders/Colonisers



Common Meter Reading Instrument **Samvaad™**

Recommended for
Utilities & Electricity Boards
(for data collection from
installed meters)



ABT Metering **Daksh™**

Recommended for Electricity Boards & Utilities /
Industries / Power Traders



Smart Group Metering Solutions

Recommended for
Apartments / Buildings /
Colonisers / Utilities/
Electricity Boards



Mesh Networking

Recommended for
Utilities & Electricity Boards
(for remote data accessibility)



Products / Services

Home UPS



Tubular Battery



HKVA Inverter



Online UPS



Solar Hybrid Inverter & UPS



Solar Products



ECC Projects (Power Sector)





Genus Power Infrastructures Ltd.

(A Kailash Group Company)

Corporate Office:

SPL-3, RIICO Industrial Area, Sitapura, Tonk Road, Jaipur-302022 (Rajasthan) (India)
Telephone Nos.: +91-141-2770003, 7102400 / 500 | Fax Nos.: +91-141-2770319, 7102503

Registered Office:

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Telefax: +91-120-4210421

E-mail: cs@genus.in / info@genus.in

Website: www.genus.in